

PROSPECTUS



BTMU (Curaçao) Holdings N.V.

(Incorporated with limited liability in Curaçao)

and

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(Kabushiki Kaisha Mitsubishi Tokyo UFJ Ginko)

(Incorporated with limited liability in Japan)

U.S.\$15,000,000,000

Medium Term Note Programme

in the case of Notes issued by BTMU (Curaçao) Holdings N.V.
guaranteed

on an unsubordinated basis (in respect of Unsubordinated Notes),

on a senior subordinated basis (in respect of Dated Subordinated Notes),

and on a junior subordinated basis (in respect of Undated Subordinated Notes)

by

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(Kabushiki Kaisha Mitsubishi Tokyo UFJ Ginko)

(Incorporated with limited liability in Japan)

Under this U.S.\$15,000,000,000 Medium Term Note Programme (the "Programme") BTMU (Curaçao) Holdings N.V. ("BTMUH") and The Bank of Tokyo-Mitsubishi UFJ, Ltd. ("BTMU" or the "Bank", and together with BTMUH, the "Issuers", and each an "Issuer") may from time to time issue notes (the "Notes"). In respect of Notes issued by BTMUH, the payment of principal and interest will be guaranteed by The Bank of Tokyo-Mitsubishi UFJ, Ltd. (in such capacity, the "Guarantor"). The Notes may be denominated in any currency (including Euro) agreed between the relevant Issuer, the Guarantor (where BTMUH is the Issuer) and the relevant Dealer (as defined below). As more fully described herein, Notes issued under the Programme may be (i) Unsubordinated Notes, which will have the benefit of the Senior Guarantee where the Notes are issued by BTMUH (ii) Dated Subordinated Notes, which will have the benefit of the Senior Subordinated Guarantee where the Notes are issued by BTMUH, or (iii) Undated Subordinated Notes, which will have the benefit of the Junior Subordinated Guarantee where the Notes are issued by BTMUH (all as defined in "Terms and Conditions of the Notes" herein, and together, the "Guarantees"). This Prospectus amends and restates the prospectus dated 31st August, 2010 relating to the Programme and supersedes all previously issued prospectuses in connection with the Programme.

The maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed U.S.\$15,000,000,000 (or its equivalent in other currencies calculated as described herein) at the date of issuance of any Tranche (as defined on page 10) of Notes. A description of the restrictions applicable at the date of this Prospectus relating to the maturity of certain Notes is set out on page 10.

The Notes will be issued on a continuing basis to one or more of the Dealers specified on page 9 and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "Dealer" and together the "Dealers"). The Dealer or Dealers with whom the relevant Issuer agrees or proposes to agree on the issue of any Notes is or are referred to as the "relevant Dealer" in respect of those Notes.

The Notes will be issued in bearer form ("Bearer Notes") or registered form ("Registered Notes"). The Notes of each Tranche issued in bearer form will initially be represented by a temporary global Note ("Temporary Bearer Global Note") which will be deposited on the issue date thereof with a common depository on behalf of Euroclear Bank S.A./N.V. ("Euroclear"), and Clearstream Banking, société anonyme ("Clearstream, Luxembourg") and/or any other agreed clearance system which will be exchangeable, as specified in the applicable Final Terms (as defined below), for a permanent global Note ("Permanent Bearer Global Note") or Notes in definitive bearer form upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations. A Permanent Bearer Global Note will be exchangeable for definitive Notes in bearer form (where so specified in the applicable Final Terms) or registered form upon request (unless otherwise specified in the applicable Final Terms).

Unless otherwise provided with respect to a particular Series (as defined on page 10) of Registered Notes, the Registered Notes of each Tranche of such Series sold outside the United States in reliance on Regulation S ("Regulation S") under the United States Securities Act of 1933, as amended (the "Securities Act"), will be represented by a permanent global Note in registered form, without interest coupons (a "Reg. S Global Note"), deposited with a custodian for, and registered in the name of a nominee of, a common depository for Euroclear and Clearstream, Luxembourg for the accounts of their respective participants. Prior to expiry of the period that ends 40 days after completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer, in the case of a non-syndicated issue, or the lead manager or managing underwriter (the "Lead Manager"), in the case of a syndicated issue (the "Distribution Compliance Period"), beneficial interests in the Reg. S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person (as defined in Regulation S) and may not be held otherwise than through Euroclear and Clearstream, Luxembourg. The Registered Notes of each Tranche of such Series sold in private transactions to qualified institutional buyers ("QIBs") within the meaning of Rule 144A under the Securities Act ("Rule 144A") will be represented by a restricted permanent global Note in registered form, without interest coupons (a "Restricted Global Note", and together with a Reg. S Global Note, "Registered Global Notes"), deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("DTC"). The Registered Notes of each Tranche of such Series sold to, or purchased by, "accredited investors" (as defined in Rule 501a(1), (2), (3) or (7) under the Securities Act) which are institutions ("Institutional Accredited Investors") will be in definitive form, registered in the name of the holder thereof. Registered Notes in definitive form will be issued in exchange for interests in the Registered Global Notes upon compliance with the procedures for exchange as described in "Form of the Notes" herein in the circumstances described in the relevant Final Terms. Registered Notes in definitive registered form from the date of issue may also be sold outside the United States in reliance on Regulation S.

Each Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which case a supplementary Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

An investment in certain Notes may entail a risk of loss of all or a portion of the principal amount of the Notes which is directly caused by fluctuation of interest rates, value of currencies, value of securities at a securities market or other indices or by a change in the condition of business or assets of the party who sells the Notes or other parties. Also an exercise of an option or other right associated with certain Notes or cancellation of a contract for sale of certain Notes may be subject to certain time limitations. Certain Notes sold into Japan or to a Japanese resident may be subject to the Law on Sale of Financial Products (Law No. 101 of 2000, as amended) which requires the above-mentioned risk factors and time limitations associated with such Notes to be explained to investors. Such time limitations associated with such Notes or the sale of such Notes will be described in the relevant Final Terms for the Notes. Investors contemplating whether to purchase such Notes should refer to and consider carefully the risk factors described under the section headed "Risk Factors" in this Prospectus and the time limitations described in the relevant Final Terms.

Arranger

Mitsubishi UFJ Securities International plc

Dealers

Barclays Capital
BofA Merrill Lynch
Credit Suisse
Deutsche Bank
J.P. Morgan
Mitsubishi UFJ Securities International plc
Nomura

UBS Investment Bank

BNP PARIBAS
Citigroup
Daiwa Capital Markets Europe
Goldman Sachs International
Mitsubishi UFJ Securities (HK), Limited
Morgan Stanley
The Royal Bank of Scotland

The date of this Prospectus is 31st August, 2011.

BTMUH and BTMU accept responsibility for the information contained in this document. To the best of the knowledge and belief of BTMUH and BTMU (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Application has been made to the Financial Services Authority (in its capacity as competent authority under the Financial Services and Markets Act 2000 (the “FSMA”), the “UK Listing Authority”) for Notes issued under the Programme for the period of 12 months from the date of this Prospectus to be admitted to the official list of the UK Listing Authority (the “Official List”) and to the London Stock Exchange plc (the “London Stock Exchange”) for such Notes to be admitted to trading on the London Stock Exchange’s Regulated Market (the “Market”). References in this Prospectus to Notes being “listed” (and all related references) shall mean that such Notes have been admitted to trading on the Market and have been admitted to the Official List. The Market is a regulated market for the purposes of the Directive 2004/39/EC (the Markets in Financial Instruments Directive).

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche of Notes will be set forth in a final terms document (the “Final Terms”) which, with respect to Notes to be listed on the Official List and to be traded on the Market, will be delivered to the Financial Services Authority and the London Stock Exchange on or before the date of issue of the Notes of such Tranche.

The Programme provides that Notes may be listed on such other or further stock exchange or stock exchanges as may be agreed between the relevant Issuer, the Guarantor (where BTMUH is the Issuer) and the relevant Dealer. The Issuers may also issue unlisted Notes.

This Prospectus comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the “Prospectus Directive”) and for the purpose of giving information with regard to BTMU, BTMUH and BTMU’s consolidated subsidiaries and the Notes which, according to the particular nature of each Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the relevant Issuer.

This Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the PD (each, a “Relevant Member State”) will be made pursuant to an exemption under the PD, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Prospectus as completed by final terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for BTMU, BTMUH or any Dealer to publish a prospectus pursuant to Article 3 of the PD or supplement a prospectus pursuant to Article 16 of the PD, in each case, in relation to such offer. Neither BTMU, BTMUH nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for BTMU, BTMUH or any Dealer to publish or supplement a prospectus for such offer. The expression “PD” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any state securities commission in the United States nor has the Securities and Exchange Commission or any state securities commission or any other U.S. regulatory authority passed upon or endorsed the merits of the offering of Notes or the accuracy or the adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

The Notes and the Guarantees have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Notes may include Bearer Notes that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons except to QIBs in accordance with Rule 144A,

or to Institutional Accredited Investors pursuant to an exemption from and in a transaction not subject to the registration requirements of the Securities Act (see “Subscription and Sale and Transfer Restrictions”). **Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.**

To permit compliance with Rule 144A under the Securities Act in connection with resales of the Notes, the relevant Issuer and the Guarantor (where BTMUH is the Issuer) will furnish upon the request of a holder of a Note and a prospective purchaser designated by such holder the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of such request such Issuer is neither a reporting company under Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”) nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

This Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see “Documents Incorporated by Reference”). This Prospectus shall be read and construed on the basis that such documents are incorporated in and form part of this Prospectus.

To the fullest extent permitted by law, none of the Dealers or the Arranger accept any responsibility for the contents of this Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with either BTMU or BTMUH or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement. The Dealers have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by either BTMU or BTMUH. The Dealers do not accept any liability in relation to the information contained in this Prospectus or any other information provided by either BTMU or BTMUH in connection with the Programme.

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

Neither this Prospectus nor any other information supplied in connection with the Programme (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by either BTMU or BTMUH or any of the Dealers that any recipient of this Prospectus or any other information supplied in connection with the Programme should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of either BTMU or BTMUH. Neither this Prospectus nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of either BTMU or BTMUH or any of the Dealers to any person to subscribe for or to purchase any Notes.

The delivery of this Prospectus does not at any time imply that the information contained herein concerning either BTMU or BTMUH is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of either of BTMU or BTMUH during the life of the Programme. Investors should review, *inter alia*, the most recent consolidated financial statements, if any, of BTMU or BTMUH when deciding whether or not to purchase any Notes.

The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Prospectus or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the European Economic Area, the United Kingdom, Curaçao and Japan (see “Subscription and Sale and Transfer Restrictions”).

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Act No. 25 of 1948, as amended) (the “Financial Instruments and Exchange Law”), and Notes issued by BTMU are subject to the Special Taxation Measures Law of Japan (Law No. 26 of 1957) (as amended) (the “Special Taxation Measures Law”). The Notes may not, directly or indirectly, be offered or sold and will not, directly or indirectly, be offered or sold in Japan or to any person resident in Japan for Japanese securities law purposes (including any corporation or other entity organised under the laws of Japan), except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law. In addition, the Notes issued by BTMU are not, as part of the initial distribution by the Dealers at any time, to be directly or indirectly offered or sold in Japan or to, or for the benefit of, any Japanese Person (which term as used in this paragraph means any person resident in Japan, including any corporation or other entity organised under the laws of Japan but excluding certain financial institutions and financial instruments firms defined in Article 6, paragraph 9 of the Special Taxation Measures Law and any other excluded category of persons, corporations or other entities under the Special Taxation Measures Law) or an individual non-resident of Japan or a non-Japanese corporation that in either case is a person or an entity directly or indirectly controlling, or directly or indirectly controlled by, or under direct or indirect common control with, BTMU as described in Article 6 of the Special Taxation Measures Law (a “Specially-Related Party of BTMU”). **BY PURCHASING THE NOTES ISSUED BY BTMU, AN INVESTOR WILL BE DEEMED TO HAVE REPRESENTED IT IS NEITHER A JAPANESE PERSON NOR AN INDIVIDUAL NON-RESIDENT OF JAPAN OR A NON-JAPANESE CORPORATION THAT IN EITHER CASE IS A SPECIALLY-RELATED PARTY OF BTMU.** See “Subscription and Sale and Transfer Restrictions”.

All references in this document to “USD”, “U.S. dollars”, “U.S.\$”, “\$” and “U.S. cents” refer to the currency of the United States of America, those to “Japanese Yen”, “Yen”, “JPY” and “¥”, refer to the currency of Japan, those to “CHF” and “Swiss francs” refer to the currency of Switzerland, those to “£”, “Sterling” and “GBP” refer to the currency of the United Kingdom, and those to “Euro” and “EUR” refer to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3rd May, 1998 on the introduction of the euro, as amended.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the stabilising manager(s) (the “Stabilising Manager(s)”) (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment will be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

The Prospectus includes “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding the relevant Issuer’s and the Guarantor’s (as the case may be) financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the relevant Issuer and the Guarantor (as the case may be), or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the relevant Issuer’s and the Guarantor’s (as the case may be) present and future business strategies and the environment in which the relevant Issuer and the Guarantor (as the case may be) will operate in the future. Among the important factors that could cause the relevant Issuer’s and the Guarantor’s (as the case may be) actual results, performance or achievements to differ materially from those in the forward-looking

statements include, but are not limited to, those discussed under “Risk Factors”. These forward-looking statements speak only as of the date of this Prospectus. The relevant Issuer and the Guarantor (as the case may be) expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the relevant Issuer’s or the Guarantor’s (as the case may be) expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

NOTICE TO NEW HAMPSHIRE RESIDENTS: NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES (“RSA 421-B”) WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OF QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT, ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

TABLE OF CONTENTS

DOCUMENTS INCORPORATED BY REFERENCE	7
GENERAL DESCRIPTION OF THE PROGRAMME	8
OVERVIEW OF THE PROGRAMME AND TERMS AND CONDITIONS OF THE NOTES ..	9
RISK FACTORS	15
TERMS AND CONDITIONS OF THE NOTES	29
FORM OF THE NOTES.. .. .	63
USE OF PROCEEDS.. .. .	66
FORM OF FINAL TERMS	67
BTMU (CURAÇAO) HOLDINGS N.V.	78
THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.	80
TAXATION	91
BOOK-ENTRY CLEARANCE PROCEDURES	94
SUBSCRIPTION AND SALE AND TRANSFER RESTRICTIONS.. .. .	100
GENERAL INFORMATION	107

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with:

- (a) the audited consolidated annual financial statements of BTMU for the financial years ended 31st March, 2010 and 2011, prepared under accounting principles generally accepted in Japan (“Japanese GAAP”) together with the audit report thereon, contained in pages 63 to 131 of BTMU’s Annual Securities Report in English for the fiscal year ended 31st March, 2011 (the “BTMU 2011 English Annual Securities Report”); and
- (b) the audited financial statements of BTMUH for the financial years ended 31st December, 2009 and 2010 prepared under International Financial Reporting Standards, together with the audit reports dated 30th April, 2010 and 28th April, 2011 in respect thereof,

which have been previously published or are published simultaneously with this Prospectus and which have been approved by the Financial Services Authority or filed with it. Such documents shall be deemed to be incorporated in, and form part of this Prospectus, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Any information contained in the BTMU 2011 English Annual Securities Report which is not specifically incorporated by reference in this Prospectus is either not relevant to investors or is covered elsewhere in the Prospectus.

The financial information of BTMU included in this Prospectus has not been prepared in accordance with International Financial Reporting Standards (“IFRS”) and there may be material differences in the financial information had IFRS been applied to the financial information.

Each of BTMU and BTMUH will provide, without charge, to each person to whom a copy of this Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference. Written or oral requests for such documents should be directed to either of BTMU and BTMUH at their respective registered offices set out at the end of this Prospectus.

SUPPLEMENTAL PROSPECTUS

If at any time the Issuer shall be required to prepare a supplemental prospectus pursuant to Section 87G of the FSMA, the Issuers will prepare and make available an appropriate amendment or supplement to this Prospectus or a further prospectus which, in respect of any subsequent issue of Notes to be admitted to the Official List and admitted to trading on the Market, shall constitute a supplemental prospectus as required by the UK Listing Authority and Section 87G of the FSMA.

If the final redemption amount of a Note is linked to an underlying reference or security, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. In such case, the Issuer will prepare and publish a supplement to the Prospectus which shall constitute a supplementary prospectus pursuant to Prospectus Rule 3.4 of the UK Financial Services Authority and Section 87G of the FSMA.

GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, BTMUH may from time to time issue Notes in respect of which payment of principal and interest will be guaranteed on an unsubordinated basis (in respect of Unsubordinated Notes), a senior subordinated basis (in respect of Dated Subordinated Notes) or a junior subordinated basis (in respect of Undated Subordinated Notes) (in each case as defined under “Terms and Conditions of the Notes” on pages 31 and 32) by the Guarantor, and BTMU may from time to time issue Unsubordinated Notes, Dated Subordinated Notes or Undated Subordinated Notes. Notes issued by BTMUH or BTMU, may be denominated in any currency (including Euro) and will have a minimum maturity of one month (in respect of Unsubordinated Notes) and will have a maturity of more than five years (in respect of Dated Subordinated Notes), subject as set out herein. Undated Subordinated Notes will have no scheduled maturity date. Notes shall have such minimum or maximum maturity as may be permitted or required from time to time by the laws or regulations applicable to the relevant Issuer or the Guarantor (where BTMUH is the Issuer) or the relevant specified currency. An overview of the Programme and the terms and conditions of the Notes appears on pages 9 to 13. The applicable terms of any Notes will be agreed between the relevant Issuer and the Guarantor (where BTMUH is the Issuer) and the relevant Dealer prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on, or incorporated by reference into, the Notes, as modified and completed by the applicable Final Terms attached to, or endorsed on, such Notes.

This Prospectus and any supplement will only be valid for listing and trading Notes on the Official List and the Market respectively and/or any other exchange in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed U.S.\$15,000,000,000 or its equivalent in other currencies. For the purpose of calculating the aggregate amount of Notes issued under the Programme from time to time:

- (a) the U.S. dollar equivalent of Notes denominated in another Specified Currency (as defined under “Terms and Conditions of the Notes” on page 30) shall be determined, at the discretion of the relevant Issuer and the Guarantor (where BTMUH is the Issuer), as of the date of agreement to issue such Notes (the “Agreement Date”) or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the U.S. dollar against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading bank selected by the relevant Issuer and the Guarantor (where BTMUH is the Issuer) on such date;
- (b) the amount (or, where applicable, the U.S. dollar equivalent) of Dual Currency Notes, Indexed Notes and Partly Paid Notes (each as defined under “Terms and Conditions of the Notes” on pages 43 and 38) shall be calculated (in the case of Notes not denominated in U.S. dollars, in the manner specified above) by reference to the original nominal amount of such Notes (in the case of Partly Paid Notes, regardless of the subscription price paid); and
- (c) the amount (or, where applicable, the U.S. dollar equivalent) of Zero Coupon Notes (as defined under “Terms and Conditions of the Notes” on page 30) and other Notes issued at a discount or premium shall be calculated (in the case of Notes not denominated in U.S. dollars, in the manner specified above) by reference to the net proceeds received by the relevant Issuer for the relevant issue.

OVERVIEW OF THE PROGRAMME AND TERMS AND CONDITIONS OF THE NOTES

The following overview does not purport to be complete and is taken from, and is qualified by, the remainder of this Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. Words and expressions defined in “Terms and Conditions of the Notes” below shall have the same meanings in this overview.

Issuers:	BTMU (Curaçao) Holdings N.V. and The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Guarantor:	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (in the case of Notes issued by BTMU (Curaçao) Holdings N.V.)
Description:	Medium Term Note Programme
Arranger:	Mitsubishi UFJ Securities International plc
Dealers:	Barclays Bank PLC BNP PARIBAS Citigroup Global Markets Limited Credit Suisse Securities (Europe) Limited Daiwa Capital Markets Europe Limited Deutsche Bank AG, London Branch Goldman Sachs International J.P. Morgan Securities Ltd. Merrill Lynch International Mitsubishi UFJ Securities (HK), Limited Mitsubishi UFJ Securities International plc Morgan Stanley & Co. International plc Nomura International plc The Royal Bank of Scotland plc UBS Limited and any other dealer appointed from time to time by the Issuers either generally in respect of the Programme or in relation to a particular Tranche of Notes.
Regulatory Matters:	<p>Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “Subscription and Sale and Transfer Restrictions” below). The following are certain of the requirements which apply at the date of this Prospectus.</p> <p>Each issue of Notes will take place only in compliance with all applicable Japanese laws, regulations and guidelines. BTMU does not intend to issue Taxable Linked Notes (as defined on page 92) under the Programme.</p>
Trustee:	Union Bank, N.A. (a national banking association organised under U.S. law and a wholly-owned subsidiary of BTMU)
Issuing and Principal Paying Agent:	The Bank of Tokyo-Mitsubishi UFJ, Ltd., London Branch
New York Registrar, Exchange Agent, Transfer Agent and Paying Agent:	Union Bank, N.A. (a national banking association organised under U.S. law and a wholly-owned subsidiary of BTMU)

Size:	Up to U.S.\$15,000,000,000 (or its equivalent in other currencies calculated as described herein on page 8) outstanding at the date of issuance of any Tranche of Notes. BTMUH and BTMU may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Method of Issue:	The Notes will be issued in Series and/or Tranches. As used herein, “Tranche” means Notes which are identical in all respects (including as to listing) and “Series” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.
Currencies:	Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the relevant Issuer, the Guarantor (where BTMUH is the Issuer) and the relevant Dealer, including, without limitation, Australian dollars, Canadian dollars, Danish kroner, Euro, Hong Kong dollars, New Zealand dollars, Sterling, Swiss francs, U.S. dollars and Japanese Yen (as indicated in the applicable Final Terms).
Redenomination:	The applicable Final Terms may provide that certain Notes may be redenominated in Euro. If so, the wording of the redenomination clause will be set out in full in the applicable Final Terms.
Maturities:	<p>Subject to relevant provisions as to early redemption, Unsubordinated Notes will have a maturity of one month or more, Dated Subordinated Notes will have a maturity of more than five years and Undated Subordinated Notes will have no scheduled maturity date. Notes shall have such minimum or maximum maturity as may be permitted or required from time to time by the laws or regulations applicable to the relevant Issuer or the Guarantor (where BTMUH is the Issuer) or the relevant Specified Currency).</p> <p>Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by BTMUH in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by BTMUH in the United Kingdom, such Notes must: (i) have a minimum redemption value and denomination of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of Section 19 of the FSMA by BTMUH.</p>
Issue Price:	Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	Instruments may be issued in bearer form or registered form as described in “Form of the Notes”.
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer, the Guarantor (where BTMUH is the Issuer) and the relevant Dealer (as indicated in the applicable Final Terms).

Floating Rate Notes:	<p>Floating Rate Notes will bear interest either at a rate determined by reference to the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended, supplemented or updated as at the Issue Date of the first Tranche of the Notes of the relevant series) or on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service or on such other basis as may be agreed between the relevant Issuer, the Guarantor (where BTMUH is the Issuer) and the relevant Dealer (as indicated in the applicable Final Terms).</p> <p>Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.</p>
Interest Period(s) or Interest Payment Date(s) for Floating Rate Notes:	<p>Such period(s) or date(s) as the relevant Issuer, the Guarantor (where BTMUH is the Issuer) and the relevant Dealer may agree (as indicated in the applicable Final Terms) for Floating Rate Notes.</p>
Dual Currency Notes:	<p>Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the relevant Issuer, the Guarantor (where BTMUH is the Issuer) and the relevant Dealer may agree (as indicated in the applicable Final Terms).</p>
Indexed Notes:	<p>Payments in respect of interest on Indexed Interest Notes or in respect of principal on Indexed Redemption Amount Notes will be calculated by reference to such index and/or formula as the relevant Issuer, the Guarantor (where BTMUH is the Issuer) and the relevant Dealer may agree (as indicated in the applicable Final Terms and/or supplemental prospectus).</p>
Zero Coupon Notes:	<p>Zero Coupon Notes will be offered and sold at a discount to their nominal amount or at par and will not bear interest other than in the case of late payment.</p>
Redemption:	<p>The Final Terms relating to each Tranche of Notes will indicate either that the Notes cannot be redeemed prior to their stated maturity, if any, (other than in specified instalments (see below), if applicable, or for taxation reasons or (in the case of Unsubordinated Notes only) following an Event of Default) or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders upon giving not less than 14 nor more than 45 days' irrevocable notice (or such other notice period (if any) as is indicated in the applicable Final Terms) to the Noteholders or the relevant Issuer, and the Guarantor (where BTMUH is the Issuer), as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Final Terms, all subject to any applicable laws, guidelines or regulations. See Condition 6 for further details.</p> <p>The Final Terms may provide that Notes may be repayable in two or more instalments of such amounts and on such dates as indicated in the applicable Final Terms.</p> <p>The Notes may be redeemed at any time in whole at par plus accrued interest (or such other amount as may be indicated in the relevant Final Terms) if the relevant Issuer or the Guarantor (where BTMUH is the Issuer) would be required by law to make any withholding or deduction from any payment in respect of the Notes on account of Curaçao or Japanese taxation as provided in and subject to Condition 6.</p>

Denomination of Notes: Notes will be issued in such denominations as may be agreed between the relevant Issuer, the Guarantor (where BTMUH is the Issuer) and the relevant Dealer and as indicated in the applicable Final Terms save that (i) the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, and (ii) Notes issued under this Programme must, in all cases, have a minimum denomination of at least EUR1,000 (or its equivalent in any other currency).

Registered Notes sold to QIBs pursuant to Rule 144A or to Institutional Accredited Investors shall be issued in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof (or the approximate equivalents in any other currency) or the higher denomination or denominations specified in the applicable Final Terms.

Notes which may be admitted to the Official List and admitted to trading on the Market and/or admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive may not (a) have a minimum denomination of less than EUR100,000 (or nearly equivalent in another currency), or (b) carry the right to acquire shares (or transferable securities equivalent to shares) issued by the Issuer or by any entity to whose group the Issuer belongs.

In addition, in the case of Notes with a maturity of less than one year, the minimum denomination requirement set forth under “Maturities” above applies.

Subject thereto, Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Taxation: All payments in respect of the Notes will be made without withholding or deduction for or on account of taxes imposed in Japan or (in the case of Notes issued by BTMUH) Curaçao, subject to certain exceptions as provided in Condition 7.

Negative Pledge: The Unsubordinated Notes will contain a negative pledge provision as described in Condition 3 of the terms and conditions of the relevant Unsubordinated Notes. Neither Dated Subordinated Notes nor Undated Subordinated Notes will contain any negative pledge provision.

Cross Default: The Unsubordinated Notes will contain a cross default in respect of any amount in excess of U.S.\$10,000,000 with respect to the indebtedness for external borrowings in the form of bonds, debentures or notes of the relevant Issuer or the Guarantor (where BTMUH is the Issuer) or any majority-owned subsidiary of BTMU. Neither Dated Subordinated Notes nor Undated Subordinated Notes will contain any cross default provision. See Condition 9 for further details.

Status of the Notes: Notes may be Unsubordinated Notes, Dated Subordinated Notes or Undated Subordinated Notes as specified in the applicable Final Terms.

Status of the Guarantees: The Unsubordinated Guarantee (in respect of Unsubordinated Notes) will constitute direct, unconditional and unsecured obligations of the Guarantor ranking *pari passu* with all its other unsecured obligations (other than subordinated obligations). The Senior Subordinated Guarantee (in respect of Dated Subordinated Notes) will constitute senior subordinated obligations of the Guarantor and

accordingly, if a BTMU Subordination Event shall occur and be continuing, no payment will be made thereunder unless and until a Condition for Payment shall have occurred. The Junior Subordinated Guarantee (in respect of Undated Subordinated Notes) will constitute junior subordinated obligations of the Guarantor and accordingly, if a BTMU Subordination Event shall occur and be continuing, no payment of principal or interest in respect of the relevant Notes shall be made unless and until a Condition for Liquidation Payment shall have occurred and then only to the extent described in Condition 2.

Listing:

Application has been made for the Notes to be issued under the Programme to be listed on the Official List and to be traded on the Market. The Notes may also be admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system as may be agreed between the relevant Issuer, the Guarantor (where BTMUH is the Issuer) and the relevant Dealer in relation to each issue. Unlisted Notes may also be issued. The Final Terms relating to each issue will state whether or not the Notes of such issue are to be listed.

Rating:

Tranches of Notes may be rated or unrated. Where a Tranche of Notes is rated, the ratings will be specified in the Final Terms. Such rating will not necessarily be the same as ratings assigned to the Programme. In relation to the Programme, in the case of Notes issued by BTMUH, the following ratings have been assigned: (i) in the case of Unsubordinated Notes (guaranteed on an unsubordinated basis by BTMU), (P)Aa3 by Moody's Investors Service, Inc. ("Moody's") and/or A+ by Standard & Poor's Ratings Services, a subsidiary of The McGraw-Hill Companies, Inc. ("S&P") and/or AA by Japan Credit Rating Agency, Ltd. ("JCR"), (ii) in the case of Dated Subordinated Notes (guaranteed on a senior subordinated basis by BTMU), (P)A1 by Moody's and/or A by S&P and/or AA- by JCR, and (iii) in the case of Undated Subordinated Notes (guaranteed on a junior subordinated basis by BTMU), (P)A2 by Moody's and/or A- by S&P and/or A+ by JCR. In relation to the Programme, in the case of Notes issued by BTMU, of the following ratings have been assigned: (i) in the case of Unsubordinated Notes, (P)Aa3 by Moody's and/or A+ by S&P and/or AA by JCR, (ii) in the case of Dated Subordinated Notes, (P)A1 by Moody's and/or A by S&P and/or AA- by JCR, and (iii) in the case of Undated Subordinated Notes, (P)A2 by Moody's and/or A- by S&P and/or A+ by JCR. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The credit ratings have been issued by Moody's, S&P and JCR. Neither Moody's nor S&P are established in the European Union and neither of them are registered under the Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16th September, 2009 on credit rating agencies (the "CRA Regulation"). JCR is not established in the European Union, but is certified under the CRA Regulation.

Whether or not each credit rating in relation to relevant Tranche of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the applicable Final Terms. Under the CRA Regulation, certain investors may generally only use a credit rating for regulatory purposes in the European Union if the credit rating is issued by a credit rating agency in the European Union and registered in accordance with the CRA Regulation (or is endorsed and published or distributed by subscription by such a credit rating agency in accordance with the CRA Regulation), unless the credit rating is issued by a credit rating agency operating in the European Union before 7th June, 2010 which has submitted an application for registration under the CRA

Regulation that has not been refused. Investors who wish to use a credit rating for regulatory purposes in the European Union should consider whether a credit rating assigned to an issue of Notes may be used for this purpose.

Governing Law:

The Notes and any non-contractual obligations arising out of or in connection with them will be governed by, and construed in accordance with, English law except that the subordination provisions (including the subordination provisions which relate to the guarantees) contained in Condition 2 and in Clauses 5, 8.9 and 8.10 of the Trust Deed (as defined below) shall be governed by and construed in accordance with the laws of Curaçao (with respect to the obligations of BTMUH) and the laws of Japan (with respect to the obligations of BTMU).

Selling Restrictions:

There are selling restrictions in relation to the United States, the European Economic Area, the United Kingdom, Curaçao, Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See “Subscription and Sale and Transfer Restrictions” below.

RISK FACTORS

The Issuers believe that the following factors may affect their ability to fulfil their respective obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuers are not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuers believe may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuers believe that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the Issuers may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons and the Issuers do not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision.

Factors that may affect the Issuers' ability to fulfil their obligations under Notes issued under the Programme

Risks associated with shareholdings

The Bank is holding sizable amount of shares that are subject to market fluctuation. Decline in share prices in the future could result in further impairment or valuation loss of the securities held by the Bank, with adverse impact on the Bank's financial position and results of operations, along with potential decline in risk-adjusted capital ratio.

Risks associated with lending business

Status of non-performing loans

The Bank's non-performing loans which had been constantly decreasing for a while since its establishment in 2006, started to increase in recent years as adversely affected by the worsening economy after the so-called "Lehman Shock" in September 2008. In the future, factors such as the worsening of economic situation both in Japan and abroad, falling prices of shares and real estates, increasing volatility in management conditions of the Bank's borrowers, as well as in the global economic environment, may cause the Bank's non-performing loans and credit costs to further increase, which may potentially adversely affect the Bank's financial position as well as results of operations, resulting in a reduction of its shareholders' equity.

Status of allowance for credit losses

The Bank records allowance for credit losses based on the conditions of each borrower, value of the collateral pledged as well as the assumptions and estimation of the general economic trend. Actual loan losses could far exceed the allowance for credit losses, as the initial assumption and estimation could prove inadequate with some discrepancy from the actual status. Further, the initial assumption and estimation might need to be amended due to the deterioration of general economic conditions, where the Bank may be forced to increase allowance for credit losses in response to falling collateral value or other unexpected developments.

Status of poorly performing companies

Some of the Bank's borrowers are not performing adequately. These include companies under restructuring by legal arrangements, or by voluntary resolutions procedure including debt waiver via ADR (Alternative Dispute Resolution) for business restructuring.

The Bank's non-performing loans situation has been adversely impacted by these developments. In case the restructuring effort proves unsuccessful due to general economic deterioration, intensifying competition

in the concerned sector, cancellation or downscaling of support by other creditors, concerned companies can go bankrupt. If financial distress and other troubles at such ailing borrowers should prolong or get aggravated, or the Bank is forced to waive loans to such borrowers, the Bank's credit costs could soar, further exacerbating the Bank's non-performing loans problems.

Action towards borrowers

In the event of a borrower's default, the Bank may not necessarily enforce all of the legal rights it has as creditor, in consideration of factors such as efficiency and effectiveness in debt collection.

Meanwhile, the Bank may waive its claim, or extend further support in the form of additional loans or investments to the troubled borrowers, if such actions are believed rational. Such support could result in a sizable increase in the outstanding balance of loans, as well as credit costs, thus giving rise to risks of decline in the share price of the relevant borrower associated with such additional investments.

Difficulty in enforcing its rights

The Bank may at times find it practically impossible to cash out the encumbered real estate or securities, or to enforce execution on such assets held by the borrower, due to the relevant circumstances such as lack of liquidity or falling prices in the real estate market, or decline in securities prices.

Other factors that could influence the Bank's non-performing loan problems

- (i) Future increase in interest rates could result in falling value of the Bank's bond holdings (including Japanese government bonds), change in loan spread and increase in non-performing loans due to some borrowers becoming unable to service debts, which could adversely affect the Bank's financial position and results of operations.
- (ii) Future large-scale fluctuations in foreign exchange may cause deterioration in the financial performance of the Bank's borrowers due to the associated increases in costs coupled with decreases in sales, as well as their financial burden triggered by valuation loss on foreign exchange derivatives (including currency options), and may also cause an increase in bad debt due to the borrowers' inability to settle derivatives of this kind, all of which in turn may adversely affect the Bank's financial position and results of operations.
- (iii) If the Bank's non-performing loans were to increase, mainly in relation to borrowers which cannot sufficiently transfer to their sales prices the rise in costs of purchase and transportation caused by increasing raw materials costs including crude oil and steel prices, could adversely affect the Bank's financial position and results of operations.
- (iv) Impairment of assets and other financial problems may remain unsolved at some of the Japanese financial institutions (including banks, non-banks, securities companies and insurance companies), which could further deteriorate in the future, or new such cases could emerge among them. If such financial difficulties at the Japanese financial institutions prolong, worsen or newly emerge, liquidity or solvency at such financial institutions may become questionable, which could have a negative impact on the Bank's operation via the following potential developments:
 - A financial institution that developed such problem might cancel or reduce its commitment to its borrower which also has borrowings from the Bank. As a result, such borrower could go bankrupt, and/or the Bank's non-performing loans in such borrower could increase;
 - The Bank might be requested to participate in the collective support for failing financial institutions;

-
- The Bank holds shares in some of the Japanese financial institutions, the value of which may decrease;
 - The Bank might suffer competitive disadvantages, in case the government affords special treatments in regulatory, taxation, financing and other terms, for the purpose of reinforcing the capital base or revenues of the financial institutions under governmental control;
 - Deposit insurance premiums could be increased if the deposit insurance fund proved to be inadequate;
 - In the event of bankruptcy of a financial institution, or the government taking over the controlling interest of a financial institution, depositors' confidence in financial institutions might be undermined or general management environment that surrounds financial institutions could be adversely impacted; and
 - Negative or sceptical media coverage against the banking business (regardless of its authenticity or its relevance) could jeopardise the reputation of and confidence in the Bank.

Risks associated with trading and investment activities

The Bank is engaged in a wide range of trading and investment activities dealing in various financial instruments including derivatives, where its financial position and results of operations is exposed to the risks associated with such activities, including interest rate risks both at home and abroad, foreign exchange risks, risks associated with fluctuations in the market of stocks and bonds. For example, rising interest rates at home or abroad could adversely impact the value of the Bank's bonds portfolio including its massive government bond holdings, while the appreciation of the yen could reduce the financial statement value of the Bank's foreign currency-denominated investments, resulting in realised losses or valuation losses. The Bank defines market risk as the risk of losses associated with various market fluctuations including interest rates in Japan or abroad, exchange rates and securities prices, and classifies it into two subclasses, namely general market risk and specific risk. The former is defined as the risk of loss due to the general market volatility while the latter is defined as the risk of loss due to the volatility of specific financial instruments such as bonds and stocks irrespective of the general market trend. The Bank determines the size of such risk, by statistically estimating the maximum probable loss of the market value of its portfolio during a certain period to come, based on the past market fluctuations, where the aggregate of the value of general market risk and that of specific risk is defined as the value of market risk. However, the effectiveness of measured value of the market risk has its own obvious limitation, and cannot always accurately represent the actual risk, where risks beyond such measured value could potentially materialise.

Foreign exchange risks

The Bank's operation is affected by the fluctuation in exchange rates. If yen fluctuates against other currencies, yen equivalent of the Bank's foreign currency-denominated transactions including the majority of those at the Bank's wholly-owned subsidiary, UnionBanCal Corporation (hereinafter referred to collectively as "UNBC", including its banking subsidiary, Union Bank, N.A.) will fluctuate as well. Moreover, part of the Bank's assets and liabilities are foreign currency-denominated. Unless the amounts of such foreign currency-denominated assets and liabilities are equally offset with each other for each foreign currency, or are not adequately hedged, the Bank's financial position and results of operations including risk-adjusted capital ratio may be adversely affected by the fluctuations in exchange rates.

Risks of liquidity deterioration as a result of downgrading of the Bank's financial rating

In case the Bank's financial rating is downgraded by a rating agency, the Bank's activities including treasury activities may suffer. In the event of such downgrading, the Bank's treasury operation may be forced to accept disadvantageous trading terms, or may become unable to do certain transactions altogether, making

it difficult for the Bank to raise capital or finance. In such event, the profitability of the Bank's treasury and other activities may suffer, with a knock-on effect on the Bank's financial position and results of operations.

Risks of the Bank's business strategies not working

Although the Bank is implementing a range of business strategies with the purpose to enhance profitability, some of those strategies may not work out or fail to produce the originally anticipated results, or even have to be amended, due to various factors that emerge which could include the following:

- Loan portfolio for profitable clients may not be boosted;
- Loan margin on the existing loans cannot be expanded;
- Fee revenues cannot be increased as targeted by the Bank due to the competitive situation and market conditions;
- Implementation of the streamlining strategies including cost-cutting exercise cannot progress as anticipated;
- Consolidation and restructuring of businesses within the Bank and its consolidated subsidiaries (together, the "Group") (including those to be implemented in the future; hereinafter referred to as "consolidation and restructuring") may be delayed due to factors such as late decision-making within the Group or change in the market environment, resulting in loss of customers and/or business opportunities;
- Costs associated with consolidation and restructuring could go beyond the originally anticipated level, or the implementation process of the strategies of streamlining via consolidation and restructuring may take longer than originally anticipated;
- System integration associated with consolidation and restructuring may not progress smoothly; and
- An investee of the Bank may become reluctant to progress or cancel its collaboration with the Bank as a result of the company's financial or operational difficulties, change in its business strategies or its decision that it no longer sees the Bank as an attractive partner. Deterioration in the Bank's financial position may also necessitate the termination of the collaboration with the investee.

Risks associated with the expansion of the scope of activities

Insofar as is permissible under the relevant laws and regulations and other restrictions, the Bank has been expanding its scope of activities beyond the realm of traditional banking activities. The further such expansion progresses, the more unfamiliar and complicated risks the Bank is exposed to. In some cases the Bank has limited or no experience at all in dealing with risks associated with the area of activities added by the expansion. Market activities involving greater volatility mean potentially larger profit, which, however, comes with the risk of loss. Unless appropriate internal control systems and risk management systems are established, along with capital adequacy commensurate with the risks involved, the Bank's financial position and results of operations could be adversely affected. Further, if the expansion of the scope of activities would not progress as anticipated, or if the profitability of the concerned activities would suffer as a result of severe competition, such expansion strategies of the Bank could prove unsuccessful.

Risks associated with the exposure in the emerging markets

The Bank is operating in the emerging markets such as Asia, Latin America, Central and Eastern Europe and the Middle East through the network of its branches and subsidiaries, and thus is exposed to the various credit risks and market risks related to each local market. For example, further depreciation of the local

currencies of the countries in these regions could adversely affect the credit status of the Bank's local borrowers. Loans provided to the borrowers in the emerging markets are often denominated in foreign currencies such as U.S. dollars or Euros. As those borrowers usually do not tend to hedge their business against the fluctuation of their local currencies, depreciation of local currencies could make it difficult for them to repay the debt to their international lenders including the Bank. Furthermore, authorities in these countries may raise interest rates in an effort to support the value of local currencies, where borrowers will be forced to allocate more management resources to repay their domestic debt, potentially at the cost of their capacity to repay international debt to lenders including the Bank. Such circumstance or an associated credit crunch could adversely affect the local economy, with repercussions on the credit status of local borrowers and banks, which could eventually lead to losses at the Bank.

Moreover, materialisation of various other risks unique to, or shared by each territory or country, could result in corresponding financial loss or other adverse effect at the Bank.

Risks associated with UNBC

The Bank's financial position and results of operations may be adversely affected by the deterioration in the business or management of UNBC, one of the Bank's significant subsidiaries. Factors that adversely affect UNBC's financial position and results of operations include deterioration of the economy, mainly in California, as well as the local real estate and housing market, tough competition in the banking sector in the U.S., especially in California, uncertainty in the U.S. economy, possible terrorists attack, volatility in the prices of resources including petroleum, increase in interest rate, restrictions imposed by the U.S. financial system, loss associated with litigations, downgrading of financial rating or decline in share price of UNBC's borrowers and resultant potential bankruptcies, and accrual of costs associated with the inadequate internal control or compliance at UNBC or its subsidiaries.

Risks associated with consumer finance activities

The Bank has affiliates engaged in consumer finance business while lending money to consumer finance operators. In relation to the consumer finance business, there were a series of recent court decisions that facilitate borrowers' request for refund of excess interest, including one that rules on stricter definition of the so-called constructive repayment referred to in the Money Lending Business Act of Japan (the "Money Lending Business Act"), resulting in an increase in litigations involving the request for refund of excess interest. Furthermore, as part of the revisions of the Money Lending Business Act that have been implemented step-by-step since December 2007, a revision was enforced in June 2010, in which the constructive repayment system was abolished while total volume control was introduced. Meanwhile, as a result of the revision of the Act Regulating the Receipt of Contributions, Receipt of Deposits and Interest Rates of Japan, the maximum interest rate for contract of cash loans for consumption was reduced from 29.2 per cent. per annum to 20 per cent. per annum. As such, business environment surrounding the consumer finance industry remains severe, having witnessed a number of bankruptcies, including a few major market players. Given these circumstances, if the Bank's subsidiaries and affiliates engaged in consumer finance business suffer similar management difficulties, the Bank's financial position and results of operations may be adversely affected. Furthermore, if the Bank's borrowers operating consumer finance business are adversely affected by these developments, the Bank's loans to them may be impaired.

Risk associated with the deterioration of the world economy and/or the recurrence of the financial crisis

Despite the world economy being on a track to recovery from the global financial crisis and simultaneous recession which started in the United States and Europe, advanced economies are still sharing structural issues such as stagnant employment and fiscal deflation. On the other hand, the world economy is exposed to new uncertainties including the risk of overheating and inflationary pressure in emerging economies, and in the event of a recurrence of recession, a part of investments as well as loan portfolios of the Bank may be adversely affected. For example, the Bank may suffer greater loss due to further decline in the market values of the securities it holds,. Changing business environment in the credit market could cause

financial difficulty and default at the Bank's borrowers, resulting in a credit crunch. Moreover, further decline in the market value of those securities, along with reduced credit in the capital market could lower the creditworthiness of financial institutions both at home and abroad, resulting in an increase in bankruptcies of financial institutions via shortage of capital or a liquidity crisis. The Bank may suffer loss resulting from transactions with such failing financial institutions, which could adversely affect the Bank's financial position and results of operations. Furthermore, if the global economy were to suffer a prolonged aftermath of the recurrent global financial crisis due to turmoil in the market caused by remaining drastic volatility in the global bond and stock markets as well as the foreign exchange market, its adverse impact on the Bank may become even more serious.

Various measures for stabilising and promoting economy are being implemented or considered by governments and central banks around the globe, which, however, may not be effective enough, and conditions of both Japanese and global financial markets and economy may deteriorate. In the future, Japanese and global management environment could become even tougher than currently anticipated by the Bank, and may cause the Bank's financial position and results of operations to be further adversely affected.

Moreover, the Bank's balance sheet assets largely comprise financial instruments recorded at fair value which is generally determined in reference to their market value. In the event of decline in the value of financial instruments recorded at fair value, corresponding impairment may be recognised for the purpose of the statements of operations. Under the recurrence of the global financial crisis and associated simultaneous recession, the market is increasingly exposed to a situation in which the market value of financial instruments significantly declines and such reference becomes practically impossible. Thus, significant volatility in, or serious malfunction of, the financial market may have a material adverse impact on the fair value of financial instruments held by the Bank.

Further, international accounting standard setters are discussing the need to review current accounting treatment of the fair value of financial instruments, and the potential revisions of the relevant system and standards may have a significant impact on the fair value of financial instruments held by the Bank.

Risks of operational disruption due to external events (including disasters, terrorism and natural disasters)

External events such as conflicts (including serious political uncertainty), terrorism, natural disasters (including global pandemics such as new influenza) may cause serious disturbance to the social infrastructure, or directly affect the Bank's processing centres or system centres or otherwise make it difficult for the Bank to carry on its normal business, resulting in the whole or partial suspension of the Bank's operations.

The Bank and its facilities are exposed to the risks of natural disasters, including earthquakes. Although the Bank is taking measures deemed necessary to be prepared against such risks, it may not necessarily be able to cope with all such future events. Due to the rolling blackouts or power-saving initiatives in the aftermath of the Great East Japan Earthquake in March 2011, operation of the Bank's branches or other facilities including the automated teller machines ("ATMs") may be affected.

Moreover, there are other risks associated with the circumstances described above, including further economic slowdown, management deterioration of the Bank's borrowers and decline in the stock market, which may increase the Bank's bad debt and credit costs or cause losses on impairment or valuation of the financial instruments held by the Bank.

Under any of the above circumstances, the Bank's financial position and results of operations may be adversely affected.

Risks associated with systems

Information and communications systems play an extremely important part in the Bank's business, constituting the core of the Bank's operations and accounts, including customer services via the Internet or ATMs. Systems may suffer from malfunctions or breakdowns due to factors including human error, accidents,

power failures, hacking, computer viruses, defective service provision by a third parties such as a telecommunications carriers, along with external events and incidents including conflicts (including serious political uncertainty), terrorism, and natural disasters (including global pandemics such as new influenza). These events, if sufficiently severe, could disrupt the Bank's operation, giving rise to compensation for damages or similar losses. This could result in administrative punishment, as well as possibly compromising the Bank's reputation, adversely affecting its business, financial position and results of operations.

Risks associated with competition

In recent years, deregulation has significantly progressed in the Japanese financial system, resulting in an increasingly competitive market environment, while large-scale mergers are taking place in the industry. Various types of collaborations among the financial players are likely to keep emerging in the future, which could make competition even tougher. Meanwhile, change in the regulatory framework for financial institutions is being discussed on a global scale, which could change the competitive environment in the financial services industry. Unless the Bank can obtain a competitive advantage in such competitive business environment, its financial position and results of operations may be adversely affected.

Risks of being criticised for unfair or inappropriate transactions or conducts, and of being penalised as a result

The Bank is operating subject to the current regulations, and thus exposed to compliance risk associated with regulations (including the impact from the changes in laws, government policies and voluntary regulations both in Japan and in the overseas markets where the Bank is operating). The Bank's arrangement and programmes for compliance risk management may not always be effective enough to totally eliminate violations of all laws and regulations.

If the Bank is unable to wholly comply with applicable laws and regulations, it may be subject to fines, disciplinary actions, reputational damage, business suspension orders, and revocation of business license in extreme cases, as a result of which the Bank's business and results of operations could be adversely affected. Record of such regulation-related penalty may have a negative influence in cases where the Bank needs to apply for official approvals as a prerequisite for strategic business development.

Risks associated with changes in regulations

The Bank is operating subject to the current regulations, and thus exposed to risks associated with the regulations (including the impact from the changes in laws and regulations, accounting standards, government policies, business practices, interpretations and fiscal policies both in Japan and in the markets of other regions where the Bank is operating). Future changes in laws and regulations, accounting standards, government policies, business practices, interpretations, fiscal policies and other policies, and developments derived therefrom may have an adverse impact on the Bank's financial position and results of operations although such impact is beyond the Bank's control and it would be difficult to predict the nature, contents and severity of such adverse impact.

Risks associated with transactions with the states harbouring terrorists

The Bank has transactions with legal entities in, or related to the countries designated by the U.S. Department of State as the "state sponsors of terrorism", including the Islamic Republic of Iran ("Iran"). Furthermore, the Bank has a representative office in Iran.

U.S. law generally bars or restricts its citizen from dealing with the state sponsors of terrorism. Furthermore it is recognised that institutional investors in the U.S. including the U.S. government and pension funds are considering the restriction of transactions with or investment to the parties doing business with the state sponsors of terrorism such as Iran. Depending on the development of such situation, the Bank may no longer be able to acquire or maintain as its clients or investors certain U.S. institutional investors including the U.S. government and pension funds, or otherwise those parties to which such restrictions apply. In addition,

the Bank's reputation, in light of its social and political implication, could be undermined because of its relationship with those states in question. These developments could have an adverse impact on the Bank's financial position and results of operations.

Furthermore, in July 2010, the U.S. enacted a new law restricting economic and financial transactions with Iran, while the Japanese government has, since September 2010, enforced sanctions including an asset freeze against banks and other institutions that may contribute to the Iranian nuclear development, on the basis of the Foreign Exchange and Foreign Trade Act of Japan. The Bank has followed up such government policy and taken measures accordingly. However, if such measures are believed by the U.S. government not to comply fully with their sanctions, the Bank could be penalised by their regulatory measures in certain ways.

Risks associated with the capital adequacy ratio

Capital adequacy requirement and the factors that could cause its deterioration

The Bank is subject to the capital adequacy requirement based on the new Basel Accord (Basel II) for bank capital adequacy since fiscal year ended 31st March, 2007. As the Bank has overseas business operations, its consolidated as well as non-consolidated risk-adjusted capital ratio must meet the uniform international standards (*i.e.* maintenance of 8 per cent. or higher), as set out by the "Criteria for Judging Whether A Financial Institution's Own Capital Is Sufficient in Light of the Assets Held, etc. under the Provision of Article 14-2 of the Banking Act" (the Financial Services Agency Notification No. 19 of 2006 (the "FSA Notification")).

In the event of the Bank's risk-adjusted capital ratio falling below the required level, orders of various levels from the Financial Services Agency including whole or partial business suspension orders will ensue.

Meanwhile, as the Bank and some of its banking subsidiaries are subject to capital adequacy regulations in the United States and other countries, in the event of their capital adequacy falling below the required level, orders of various levels from the concerned local authorities will also ensue.

Factors that affect the Bank's risk-adjusted capital ratio include:

- Increase in credit risk-adjusted assets or expected loss due to portfolio volatility that could result from the deteriorating creditworthiness of obligors, or issuing entities of stocks or bonds;
- Increase in credit costs that could result from the disposal of bad debt, or deteriorating creditworthiness of obligors;
- Decline in the value of the Bank's securities portfolio;
- Change in the criterion of bank capital adequacy requirement or its calculation method;
- Reduction in the amount of deferred tax assets;
- Difficulty in refinancing by converting the Bank's existing subordinated debt into other subordinated debt on equivalent terms;
- Adverse fluctuations in foreign exchange; and
- Other adverse developments described herein.

New regulation

The Basel Committee on Banking Supervision announced international standards governing bank capital adequacy and liquidity, as part of the comprehensive regulatory framework (Basel III), based on the lessons learned from the latest global financial crisis. These standards involve new capital adequacy regulations more rigorous than those currently applied, and are scheduled to be implemented step-by-step from 2013.

Deferred tax assets

The FSA Notification restricts the types of deferred tax assets that may be included in the basic items of a bank's own capital for the purpose of calculating risk-adjusted capital ratio (hereinafter referred to as "Own Capital" in this subsection and in the immediately following subsection). In case the amount of deferred tax assets currently included in the basic items of the Bank's Own Capital is considered in conflict with such restriction, the Bank's risk-adjusted capital ratio may be lowered.

Current accounting standards in Japan, subject to certain conditions, allow tax benefits likely to be realised in the future, to be recorded as deferred tax assets. Calculation of deferred tax assets involves various estimations and assumptions including those in respect of the future taxable income, where actual outcome could differ from such estimations and assumptions. Even in case the amount of deferred tax assets allowable to be included in the Bank's Own Capital is not affected by the FSA Notification, if the Bank considers that part or whole of deferred tax assets cannot be realised based on the estimations and assumptions in respect of the future taxable income, the amount of the Bank's deferred tax assets will be reduced, as a result of which the Bank's financial position and results of operations could be adversely affected, along with the reduction of its risk-adjusted capital ratio.

Subordinated debt

Subordinated debt meeting certain requirements can be included, within a certain limit, in the Bank's Own Capital as supplementary or quasi-supplementary item, for the purpose of calculating its risk-adjusted capital ratio. When the time limit arrives for the inclusion of such subordinated debt into the Bank's Own Capital, it may prove impossible for the Bank to refinance the existing subordinated debt on equivalent terms, subject to the then market conditions. In such case, the Bank's Own Capital may be reduced, resulting in a lower risk-adjusted capital ratio.

Risks associated with retirement benefit obligation

In the event of decline in the fair value of the Bank's plan assets, or its rate of return, or if there are changes in the actuarial premises and assumptions for the calculation of projected benefit obligation, losses may accrue. In addition, unrecognised prior service cost may accrue due to changes in the pension system. Furthermore, other factors such as changes in the interest rate environment may have an adverse impact on the Bank's unfunded pension obligation as well as its annual funding amount.

Risks associated with leakage of information

The Bank is required to prudently handle customer information under the Banking Act of Japan (the "Banking Act") as well as the Financial Instruments and Exchange Act. The Bank, as a business operator handling personal information, is also required to comply with the duty for the purpose of protecting personal information under the Act on the Protection of Personal Information of Japan ("Personal Information Protection Act").

Leakage of customer information or the Bank's classified information through illegal access by insiders or outsiders, or misuse of it, could lead to administrative punishment, potentially giving rise to direct losses of the Bank such as the payment of compensation for the financial and psychological damage the customers involved may suffer. In addition, the Bank's business environment may become more severe if such incident is reported by the media, causing damage to the Bank's reputation, or causing loss of confidence by its customers and in the market; in such event, the Bank's business operation, financial position and results of operations may be adversely affected.

Reputation risk

The Bank's reputation is a critically important asset in maintaining favourable relationships with customers, investors, supervising authorities and the society in general, which, however, can be compromised as a result of violations of laws and regulations, misconduct of its employees, inappropriate handling of potential conflict of interest, litigations, system failures, or action of the customers or counterparties (control of which is difficult or impossible on the part of the Bank), inappropriate trade practice or abuse of its superior bargaining position in dealing with customers, or other various events. If the Bank cannot preempt such events, or fails to adequately deal with them once they take place, it may lose its existing or potential customers or investors, which may result in an adverse effect on the Bank's business, financial position and results of operations.

Risks of failing to recruit and develop adequate human resources

Despite the Bank's constant effort to recruit and develop capable human resources, failure in this endeavour could result in an adverse impact on the Bank's operation and business performance.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme***Risks related to subordinated Notes***

Upon the occurrence of a BTMUH Subordination Event or BTMU Subordination Event (each as defined in the "Terms and Conditions of the Notes" on page 35), as the case may be, the right to receive payment on Dated Subordinated Notes and Undated Subordinated Notes will be subordinated and subject in right of payment in full to the prior payment of all the senior indebtedness of the relevant Issuer. The Issuers expect from time to time to incur additional indebtedness and other obligations that will constitute senior indebtedness, and the Trust Deed in relation to the Notes does not contain any provisions restricting the Issuers' ability to incur senior indebtedness. There is a risk that an investor in Dated Subordinated Notes and Undated Subordinated Notes will lose all or some of his or her investment upon the occurrence of a BTMUH Subordination Event or BTMU Subordination Event, as the case may be. Non-payment of principal or interest in respect of any Dated Subordinated Note or any Undated Subordinated Note or breach of any provisions in the Trust Deed will not cause any Dated Subordinated Note or Undated Subordinated Note to become due and payable (see Condition 9(d) of the Notes).

Notes may not be a suitable investment for all investors

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and

-
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Index Linked Notes and Dual Currency Notes

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a "Relevant Factor"). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Variable rate Notes with a multiplier or other leverage factor

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

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on such Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Risks related to Notes generally

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

Modification and waivers

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or the Trust Deed which, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Austria and Luxembourg are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland) with effect from the same date.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuers nor the Guarantor nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on payment made by a Paying Agent, the Issuer will be required, save as provided in Condition 7 of the Notes, to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

Change of law

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

Integral multiples of less than EUR100,000

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination of EUR100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes) plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of EUR100,000 (or its equivalent) that are not integral multiples of EUR100,000 (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The relevant Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of Notes to be issued by either of the Issuers which (except for the paragraphs in italics) will be incorporated by reference into each global Note and which will be incorporated into (or, if permitted by the relevant stock exchange and agreed between the relevant Issuer and the Guarantor (where BTMUH is the Issuer) and the relevant Dealer, incorporated by reference into) each definitive Note. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Tranche of Notes. The applicable Final Terms will be incorporated into, or attached to, each global Note and definitive note. Reference should be made to “General Information” below for a description of the content of Final Terms.

This Note is one of a series of Notes issued by BTMU (Curaçao) Holdings N.V. (“BTMUH”) or The Bank of Tokyo-Mitsubishi UFJ, Ltd. (“BTMU”) (each in relation to Notes issued by it, the “Issuer”), pursuant to the Trust Deed (as defined below). References herein to the “Notes” shall be references to the Notes of this Series (as defined below) and shall mean (i) in relation to any Notes represented by a global Note, units of the lowest Specified Denomination in the Specified Currency; (ii) definitive Bearer Notes issued in exchange (or part exchange) for a global Note; (iii) definitive Registered Notes either issued in definitive registered form or issued in exchange (or part exchange) for a global Note; and (iv) any global Note. The Notes, the Receipts (as defined below) and the Coupons (as defined below) are constituted by the Amended and Restated Trust Deed dated 31st August, 2011 (the “Trust Deed”), and made among BTMUH and BTMU as Issuers, BTMU (acting in relation to Notes issued by BTMUH in its capacity as guarantor, the “Guarantor”) and Union Bank, N.A. (the “Trustee”, which expression shall include any successor trustee). Certain provisions of these Terms and Conditions are summaries of, and are subject to, the detailed provisions of the Trust Deed and the Amended and Restated Agency Agreement dated 31st August, 2011 (the “Agency Agreement”) and made among, the Issuers, the Guarantor, Mitsubishi UFJ Global Custody S.A. as principal registrar (the “Principal Registrar”, which expression shall include any successor to Mitsubishi UFJ Global Custody S.A. in its capacity as such), each of Mitsubishi UFJ Securities International plc and Union Bank, N.A., as an alternative registrar (each a “Registrar”, (which expression shall include any successor to Mitsubishi UFJ Securities International plc or, as applicable, Union Bank, N.A., in its capacity as such) and together with the Principal Registrar, the “Registrars”), Union Bank, N.A., as exchange agent (the “Exchange Agent” which shall include any successor as exchange agent), the transfer agents named therein (the “Transfer Agents”, which shall include any additional or successor transfer agents), The Bank of Tokyo-Mitsubishi UFJ, Ltd., London Branch as issuing and principal paying agent and calculation agent (the “Agent”, which expression shall include any successor agent), the other paying agent named therein (together with the Agent, the “Paying Agents”, which expression shall include any additional or successor paying agents) and the Trustee. For the purposes of these Terms and Conditions, “Registrar” means, in relation to any series comprising Notes in registered form, the Principal Registrar or any other Registrar as specified in the applicable Final Terms.

Interest bearing definitive Bearer Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons (“Coupons”) and, if indicated in the applicable Final Terms, talons for further Coupons (“Talons”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Bearer Notes repayable in instalments (“Instalment Notes”) have receipts (“Receipts”) for the payment of the instalments of principal (other than the final instalment) attached on issue. Any reference herein to “Noteholders” shall mean the holders of the Notes, and shall, in relation to any Notes represented by a global Note, be construed as provided below. Any reference herein to “Receiptholders” shall mean the holders of the Receipts and any reference herein to “Couponholders” shall mean the holders of the Coupons, and shall, unless the context otherwise requires, include the holders of the Talons. Registered Notes do not have Receipts or Coupons attached on issue.

The Final Terms for this Note is attached hereto or (to the extent relevant) incorporated herein and supplements these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and

Conditions for the purposes of this Note. References herein to the “applicable Final Terms” are to the Final Terms attached hereto or incorporated herein.

As used herein, “Tranche” means Notes which are identical in all respects (including as to listing) and “Series” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Trust Deed and the Agency Agreement and the Final Terms applicable to this Note are available without charge at the specified offices of each of the Agent and the other Paying Agents, or, in the case of Registered Notes, the Registrar save that a Final Terms relating to an unlisted Note will only be available for inspection by a Noteholder upon such Noteholder producing evidence as to identity satisfactory to the relevant Paying Agent. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms which are binding on them.

Words and expressions defined in the Trust Deed or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated.

In these Terms and Conditions, in the case of Notes issued by BTMU, all references to the Guarantor, the Unsubordinated Guarantee, the Senior Subordinated Guarantee or the Junior Subordinated Guarantee, as the case may be, shall be deemed to be inapplicable.

1 Form, Denomination and Title

This Note is an Unsubordinated Note, a Dated Subordinated Note, an Undated Subordinated Note, a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Indexed Interest Note, an Indexed Redemption Amount Note, a Dual Currency Note, an Instalment Note or a Partly Paid Note or a combination of any of the foregoing, as indicated in the applicable Final Terms.

The Notes are either in bearer form (“Bearer Notes”) or in registered form (“Registered Notes”) and, in the case of definitive Notes, serially numbered, denominated in the currency (including Euro) (the “Specified Currency”) and in the denomination(s) (the “Specified Denomination(s)”) specified in the applicable Final Terms provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum Specified Denomination shall be EUR100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes). In the case of Dual Currency Notes, each currency in which payment is to be made is also a Specified Currency.

Bearer Notes in definitive form are issued with Coupons attached, unless they are specified in the applicable Final Terms as Zero Coupon Notes (“Zero Coupon Notes”) in which case the Notes are issued on a non-interest bearing basis and references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Pursuant to the Agency Agreement, the Agent shall arrange that, where a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned (where applicable) a CUSIP and/or CINS number, and in the case of Bearer Notes and Reg. S Notes (as defined in the Conditions), common code and ISIN which are different from the CUSIP number, CINS number, common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the Distribution Compliance Period applicable to such Tranche. The end of such period and, as the case may be, the CUSIP number, CINS number, common code and ISIN thereafter applicable to the Notes of the relevant Series will be notified by the Agent to the Relevant Dealer.

Subject as set out below, title to the Bearer Notes, Receipts and Coupons will pass by delivery and title to the Registered Notes will pass upon the registration of transfers in accordance with the provisions of the Agency

Agreement and the Trust Deed. The Issuer, the Guarantor, the Trustee, any Paying Agent, any Registrar, the Exchange Agent and any Transfer Agent may deem and treat the bearer of any Bearer Note, Receipt or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph.

No person shall have any right to enforce any term or condition of this Note or the Trust Deed under the Contract (Rights of Third Parties) Act 1999.

For so long as any of the Notes are represented by a bearer global Note held by or a Reg. S Global Note registered in the name of a nominee of, a common depositary on behalf of Euroclear Bank S.A./N.V. (“Euroclear”) and/or Clearstream Banking, société anonyme (“Clearstream, Luxembourg”) or for so long as a nominee of a common depositary for Euroclear and Clearstream, Luxembourg or so long as The Depository Trust Company (“DTC”) or its nominee is the registered holder of a Registered Global Note, each person who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg or, as the case may be, of DTC as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg or, as the case may be, by DTC as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, any Registrar, the Exchange Agent, any Transfer Agent, the Trustee, and any Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose such common depositary or its nominee, or as the case may be, DTC or its nominee shall be treated by the Issuer, the Guarantor, any Registrar, the Exchange Agent, any Transfer Agent, the Trustee, and any Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant global Note and the Trust Deed (and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly). Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, or Clearstream, Luxembourg or DTC, as the case may be.

References to Euroclear, Clearstream, Luxembourg or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Guarantor, the Trustee and the Agent.

2 Status of the Notes and Guarantee

(a) Unsubordinated Notes

Notes specified in the applicable Final Terms as Unsubordinated Notes (“Unsubordinated Notes”) and the relative Receipts and Coupons constitute (subject to Condition 3) direct, unconditional and unsecured obligations of the Issuer and rank *pari passu* among themselves and with all other unsecured obligations, other than subordinated obligations, if any, of the Issuer (save for statutorily preferred exceptions) from time to time outstanding.

(b) Dated Subordinated Notes

Notes specified in the applicable Final Terms as Dated Subordinated Notes (“Dated Subordinated Notes”) issued by BTMUH and the relative Receipts and Coupons are direct, unconditional, subordinated and unsecured obligations of BTMUH and will rank *pari passu* among themselves and will, in the event of a BTMUH Subordination Event occurring and continuing, (except for such amounts which shall have become due and payable prior to the date on which a BTMUH Subordination Event shall have occurred) be subordinated in right of payment to all Senior Indebtedness of BTMUH. If a court of competent jurisdiction in Curaçao shall rescind or reverse a declaration of bankruptcy with respect to BTMUH, without a distribution of assets pursuant to the Curaçao Bankruptcy Act of 1931, as amended, then such BTMUH Subordination Event shall have the same effect as if it had not occurred.

Dated Subordinated Notes issued by BTMU and the relative Receipts and Coupons are direct, unconditional, subordinated and unsecured obligations of BTMU. Upon the occurrence of a BTMU Subordination Event and so long as such BTMU Subordination Event shall continue, any amounts payable under the Dated Subordinated Notes issued by BTMU (except for such amounts which shall have become due and payable prior to the date on which a BTMU Subordination Event shall have occurred) will be junior in right of payment (as described below) to the prior payment in full of the deposit and other liabilities (including those in respect of bonds, debentures and notes) of BTMU, except those liabilities which by their terms or judicial decree rank *pari passu* with or junior to the Dated Subordinated Notes issued by BTMU and, accordingly, no payment will be made under the Dated Subordinated Notes issued by BTMU (except for such amounts which shall have become due and payable prior to the date on which a BTMU Subordination Event shall have occurred) unless and until a Condition for Payment shall have occurred.

(c) *Undated Subordinated Notes*

Notes specified in the applicable Final Terms as Undated Subordinated Notes (“Undated Subordinated Notes”) issued by BTMUH and the relative Receipts and Coupons constitute unsecured and subordinated obligations of BTMUH and shall at all times rank *pari passu* and without any preference among themselves, and will in the event of a BTMUH Subordination Event occurring and continuing, claims in respect of principal of, and interest on, Undated Subordinated Notes issued by BTMUH (except for amounts which shall have become due and payable prior to the occurrence of such BTMUH Subordination Event) shall be subordinated in right of payment to all Priority Indebtedness of BTMUH (including all Dated Subordinated Notes issued by BTMUH) with the intent that such claims rank immediately ahead of the claims as to return of capital of the highest ranking shareholders of BTMUH and after all claims in respect of Priority Indebtedness of BTMUH (including Dated Subordinated Notes issued by BTMUH).

Undated Subordinated Notes issued by BTMU and the relative Receipts and Coupons constitute unsecured subordinated obligations of BTMU. Upon the occurrence of a BTMU Subordination Event and so long as such BTMU Subordination Event is continuing, no payment in respect of principal of or interest on, the Undated Subordinated Notes issued by BTMU (except for amounts which shall have become due and payable prior to the date on which the BTMU Subordination Event shall have occurred) shall be made by BTMU unless and until a Condition for Liquidation Payment shall have occurred and then only to the extent that the aggregate of (i) the amount in respect of principal of the Undated Subordinated Notes issued by BTMU (except for amounts which shall become due and payable prior to the occurrence of such Condition for Liquidation Payment), (ii) the amount in respect of interest on the Undated Subordinated Notes issued by BTMU (except for amounts which shall become due and payable prior to the occurrence of such Condition for Liquidation Payment) and (iii) the liquidation distributions in respect of all Liquidation Parity Securities shall not exceed the liquidation distributions that would have been paid from the assets of BTMU had such principal, interest and all such Liquidation Parity Securities been preference shares of BTMU ranking most senior in priority of payment as to liquidation distributions.

(d) *Unsubordinated Guarantee*

The Guarantor has in the Trust Deed unconditionally and irrevocably guaranteed the due and punctual payment of the principal of and interest (including additional amounts) on the Unsubordinated Notes issued by BTMUH as and when the same shall become due and payable (the “Unsubordinated Guarantee”). Its obligations in that respect constitute direct, unconditional and unsecured obligations of the Guarantor and, with the exception of obligations in respect of national and local taxes and certain other obligations given priority by statute, rank *pari passu* with all its other unsecured obligations (other than subordinated obligations, if any), including those in respect of deposits.

(e) *Senior Subordinated Guarantee*

The Guarantor has in the Trust Deed guaranteed unconditionally and irrevocably on a senior subordinated basis, the due and punctual payment of the principal of and interest (including additional amounts) on the Dated Subordinated Notes (the “Senior Subordinated Guarantee”) issued by BTMUH. Upon the occurrence of a BTMU Subordination Event and so long as such BTMU Subordination Event shall continue, any amounts payable under the Senior Subordinated Guarantee (except for such amounts which shall have become due and payable prior to the date on which a BTMU Subordination Event shall have occurred) will be junior in right of payment (as described below) to the prior payment in full of the deposit and other liabilities (including those in respect of bonds, debentures and notes) of the Guarantor, except those liabilities which by their terms or judicial decree rank *pari passu* with or junior to the Senior Subordinated Guarantee and, accordingly, no payment will be made under the Senior Subordinated Guarantee (except for such amounts which shall have become due and payable prior to the date on which a BTMU Subordination Event shall have occurred) unless and until a Condition for Payment shall have occurred. The rights of the holders of Dated Subordinated Notes and the relative Receipts and Coupons under the Senior Subordinated Guarantee will be reinstated with respect to any payments made to Noteholders that are subsequently avoided in the bankruptcy or insolvency of BTMUH, as though such payments had not been made. The Senior Subordinated Guarantee will remain in effect until (i) the entire principal of and interest (including additional amounts) on each Dated Subordinated Note shall have been paid in full in accordance with the provisions of the Dated Subordinated Notes and the Trust Deed, and (ii) 366 days shall have elapsed since the last date on which any such payment was made, during which time no event of bankruptcy or insolvency of BTMUH shall have occurred.

(f) *Junior Subordinated Guarantee*

The Guarantor has in the Trust Deed unconditionally and irrevocably guaranteed on a junior subordinated basis as described below the due and punctual payment of the principal of and interest (including additional amounts) on the Undated Subordinated Notes issued by BTMUH as and when the same shall be due and payable (the “Junior Subordinated Guarantee”).

Upon the occurrence of a BTMU Subordination Event and so long as such BTMU Subordination Event is continuing, no payment in respect of principal of, or interest on (including additional amounts), the Undated Subordinated Notes issued by BTMUH (except for amounts which shall have become due and payable prior to the date on which the BTMU Subordination Event shall have occurred) shall be made by the Guarantor unless and until a Condition for Liquidation Payment shall have occurred.

The Trust Deed provides that no amendment or modification may be made to the subordination provisions contained in paragraph (c) and this paragraph (f) of this Condition 2 which would in any way be prejudicial to or impair the benefits of either such provision extending to any present or future creditor in respect of any Priority Indebtedness of BTMUH or of any Priority Indebtedness of BTMU. No such amendment or modification shall in any event be effective against any third party.

NB. For information only, and not so as to affect the terms and conditions relating to the Undated Subordinated Notes, any amount of principal or interest which but for the provisions of paragraphs (c) and (f) of this Condition 2 would otherwise be payable are available to participate in losses of the relevant Issuer or the Guarantor, as the case may be.

(g) *Conditional Payment of Interest on Undated Subordinated Notes*

In the case of Undated Subordinated Notes, interest accrued in respect of any Interest Period shall become due and payable on the Interest Payment Date falling on the last day of such Interest Period if and so long as all of the following conditions are met:

- (i) the amount of the Distributable Amounts of BTMU, based on BTMU’s financial statements approved at the general meeting of the shareholders of BTMU immediately prior to such Interest Payment Date, exceeds zero;

-
- (ii) the Regulatory Event has not occurred as of such Interest Payment Date; and
 - (iii) the Interest Payment Insolvency Event has not occurred as of such Interest Payment Date.

All Arrears of Interest in respect of the Undated Subordinated Notes shall become due and payable on the earlier of (a) the first Interest Payment Date after all of the conditions for the interest payment listed in (i), (ii) and (iii) in the above paragraph are met and (b) the date upon which the principal of the Undated Subordinated Notes becomes due and payable, but in the case of such principal becoming due and payable as a result of the occurrence of a Condition for Liquidation Payment, only to the extent described in Condition 9(c).

Arrears of Interest shall not themselves bear interest. However, where default is made in the payment of any interest due and payable in respect of the Undated Subordinated Notes on an Interest Payment Date or other date upon which the same becomes due and payable and such default continues for a period of 30 days or more, interest shall accrue on any such amount in respect of which default has been made (as well after as before any judgment) from and including the due date for payment thereof to but excluding the date of full payment thereof at the Rate of Interest concurrently applicable to the principal amount of the Undated Subordinated Notes then outstanding until either such amount together with accrued interest payable pursuant to this paragraph is paid to the holder of the Undated Subordinated Note in respect of which such payment is referable or in the case only where presentation of the relevant Coupon or Undated Subordinated Note is required as a precondition for payment of such interest until the seventh day after notice has been given to the relevant Noteholder to the effect that the funds for the payment thereof have been received by the Principal Paying Agent (except to the extent that there is failure in the subsequent payment thereof to the relevant holder) whichever is earlier.

(h) Reimbursement of Excess Payment

A holder of a Dated Subordinated Note issued by BTMUH or an Undated Subordinated Note issued by BTMUH, by his acceptance of such Note shall thereby agree that (i) if any payment on such Note is made to the holder thereof under the Senior Subordinated Guarantee or Junior Subordinated Guarantee (as the case may be) after the occurrence of a BTMU Subordination Event and the amount of such payment shall exceed the amount, if any, that should have been paid to such holder upon the proper application of the subordination provisions of the Senior Subordinated Guarantee or Junior Subordinated Guarantee (as the case may be), the payment of such excess amount shall be deemed null and void and such holder shall be obliged to return the amount of the excess payment within ten days of receiving notice of the excess payment and (ii) upon the occurrence of a BTMU Subordination Event and so long as such BTMU Subordination Event shall continue, such holder shall not be entitled to exercise any right to set off any liabilities of the Guarantor under the Senior Subordinated Guarantee or Junior Subordinated Guarantee (as the case may be) (except for such amounts which have become due and payable prior to the date on which the BTMU Subordination Event shall have occurred) against any liabilities of such holder owed to the Guarantor:

- (A) in the case of the Senior Subordinated Guarantee, unless and until the liabilities of the Guarantor under the Senior Subordinated Guarantee have become payable pursuant to the proper application of the subordination provisions of the Senior Subordinated Guarantee and then only to the extent of such liabilities of the Guarantor to such holder; and
- (B) in the case of the Junior Subordinated Guarantee, at any time.

A holder of a Dated Subordinated Note issued by BTMU or an Undated Subordinated Note issued by BTMU, by his acceptance of such Note shall thereby agree that (i) if any payment on such Note is made to the holder thereof under the Dated Subordinated Notes or Undated Subordinated Notes (as the case may be) after the occurrence of a BTMU Subordination Event and the amount of such payment shall exceed the amount, if any, that should have been paid to such holder upon the proper application of the subordination provisions of the Dated Subordinated Notes or Undated Subordinated Notes (as the case may be), the payment of such excess amount shall be deemed null and void and such holder shall be obliged to return the amount of the excess payment within ten days of receiving notice of the excess payment and (ii) upon the occurrence of a BTMU Subordination Event and so long as such BTMU Subordination Event shall continue, such holder shall not be entitled to exercise any right

to set off any liabilities of the Issuer under the Dated Subordinated Notes or Undated Subordinated Notes (as the case may be) (except for such amount which have become due and payable prior to the date on which the BTMU Subordination Event shall have occurred) against any liabilities of such holder owed to the Issuer:

- (A) in the case of the Dated Subordinated Notes, unless and until the liabilities of the Issuer under the Dated Subordinated Notes have become payable pursuant to the proper application of the subordination provisions of the Dated Subordinated Notes and then only to the extent of such liabilities of the Issuer to such holder; and
- (B) in the case of the Undated Subordinated Notes, at any time.

(i) *Interpretation*

The following definitions apply to these Terms and Conditions:

“Arrears of Interest” means any interest on the Undated Subordinated Notes accrued but not becoming due on an Interest Payment Date by operation of Condition 2(g) together with any other interest accrued on the Undated Subordinated Notes but not becoming due on any other Interest Payment Date so long as the same remains unpaid;

“Bankruptcy Law” means the Japanese Bankruptcy Law (Law No. 75 of 2004, as amended) as amended or replaced from time to time;

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

- (i) a court of competent jurisdiction shall have commenced bankruptcy proceedings with respect to BTMU pursuant to the Bankruptcy Law;
- (ii) a court of competent jurisdiction shall have commenced corporate reorganisation proceedings with respect to BTMU pursuant to the Reorganisation Law;
- (iii) a court of competent jurisdiction shall have commenced civil rehabilitation proceedings with respect to BTMU pursuant to the Civil Rehabilitation Law (except for the case where a Consent Rehabilitation or a Summary Rehabilitation is adjudicated by the court); or
- (iv) BTMU shall become subject to bankruptcy, corporate reorganisation, civil rehabilitation proceedings or other equivalent proceedings pursuant to any applicable law of any jurisdiction other than Japan, which proceedings have an equivalent effect to those set out in (i), (ii) and (iii) above;

“BTMUH Subordination Event” means a court of competent jurisdiction in Curaçao shall have adjudicated BTMUH bankrupt pursuant to the provisions of the Curaçao Bankruptcy Act of 1931, as amended;

“Civil Rehabilitation Law” means the Japanese Civil Rehabilitation Law (Law No. 225 of 1999, as amended);

“Company Law” means the Japanese Company Law (Law No. 86 of 2005, as amended);

“Condition for Liquidation Payment” means any of the following conditions:

- (i) in the case of liquidation of BTMU, all Priority Indebtedness of BTMU held by creditors of BTMU entitled to payment or satisfaction prior to commencement of distribution of residual assets to shareholders is paid or otherwise satisfied in full pursuant to the provisions of the Company Law;
- (ii) in the case of reorganisation of BTMU where a decree of approbation of a corporate reorganisation plan for liquidation of BTMU becomes final and conclusive, all Priority Indebtedness of BTMU appearing in such plan at the date such decree has become final and conclusive is paid or otherwise satisfied in full without giving effect to any modification or reduction stipulated in such plan; or

-
- (iii) in the case of civil rehabilitation of BTMU where a decree of approbation of a civil rehabilitation plan for liquidation of BTMU becomes final and conclusive, all Senior Indebtedness of BTMU appearing in such plan at the date such decree has become final and conclusive is paid or otherwise satisfied in full without giving effect to any modification or reduction stipulated in such plan;

“Condition for Payment” means any of the following conditions:

- (i) in the case of bankruptcy of BTMU, all Senior Indebtedness of BTMU appearing on the final distribution list prepared by the Administrator (as defined in the Trust Deed) for the final distribution of bankruptcy assets pursuant to the Bankruptcy Law is paid in full or provision has been made for the payment in full thereof pursuant to the Bankruptcy Law;
- (ii) in the case of reorganisation of BTMU, all Senior Indebtedness of BTMU, appearing in the plan of reorganisation, at the date such a plan has become final and conclusive after approval by a court of competent jurisdiction in Japan, as indebtedness of BTMU subject to modification in such plan, is paid in full to the extent of the original amount of such indebtedness without regard to such modification;
- (iii) in the case of civil rehabilitation of BTMU, all Senior Indebtedness of BTMU, appearing in the plan of rehabilitation, at the date such a plan has become final and conclusive after approval by a court of competent jurisdiction in Japan, as indebtedness of BTMU subject to modification in such plan, is paid in full to the extent of the original amount of such indebtedness without regard to such modification; or
- (iv) in the case of insolvency proceedings pursuant to any applicable law of any jurisdiction other than Japan, conditions equivalent to those set out in (i), (ii) or (iii) above have been fulfilled, provided that notwithstanding any provision herein to the contrary, if the imposition of any such condition is not allowed under such proceedings, any amount which becomes due under Dated Subordinated Notes issued by BTMU or the Senior Subordinated Guarantee shall become payable and not subject to such condition;

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

“Distributable Amounts” of BTMU means, with respect to any fiscal year of BTMU, BTMU’s distributable amounts permitted to be distributed to shareholders of BTMU pursuant to Article 461 of the Company Law and Japanese banking regulations as derived from BTMU’s audited unconsolidated financial statements prepared in accordance with Japanese law, including the requirements and guidelines of the Japanese Ministry of Finance (the “MOF”) or the Financial Services Agency of Japan (the “FSA”);

“Interest Payment Insolvency Event” means either of the following events:

- (i) BTMU is insolvent at the time of payment of interest in respect of the Undated Subordinated Notes; or
- (ii) payment of interest in respect of the Undated Subordinated Notes would cause BTMU to become insolvent if BTMU made such payment of interest;

For the purpose of this definition, BTMU shall be insolvent if BTMU’s Liabilities exceed its Assets. For the purpose of this paragraph, “Assets” means the total assets of BTMU and “Liabilities” means the total liabilities of BTMU (calculated on a non-consolidated basis), each as shown by the latest audited non consolidated balance sheet of BTMU but adjusted for subsequent events, all valued in such manner as a Representative Director, the auditors for the time being or the liquidator (as the case may be) of BTMU may determine;

“Latest Operation Report” means, in relation to a specific day, an operation report submitted to the Commissioner of the FSA pursuant to the Banking Law (Law No. 59 of 1981, as amended) immediately prior to such day. Currently, under the Enforcement Rule of the Banking Law, the operation report in respect of the conditions of a bank’s assets and business for the period from the commencement of such bank’s fiscal year (1st April in the case of BTMU) to 30th September is required to be submitted to the Commissioner of the FSA within three months from the end of such period and the operation report in respect of a bank’s fiscal year is required to be submitted within three months from the end of such fiscal year (31st March in the case of BTMU);

“Liquidation Parity Securities” means (i) any preference shares of BTMU ranking most senior in priority of payment as to liquidation distributions, (ii) any other preferred or preference shares of any affiliate of BTMU which shall be entitled to the benefits of a guarantee of BTMU ranking *pari passu* in priority of payment as to liquidation distributions with the Undated Subordinated Notes issued by BTMU or the Junior Subordinated Guarantee, and (iii) any other liabilities of BTMU with terms and conditions substantially equivalent or subordinate in priority of payment as to liquidation distributions to the liabilities of BTMU stipulated in Conditions 2(c) and 2(f) (including the liabilities under the Pre amendment Junior Subordinated Guarantee and other liabilities ranking *pari passu* with or junior to the Pre-amendment Junior Subordinated Guarantee);

“Pre-amendment Junior Subordinated Guarantee” means the Junior Subordinated Guarantee which is subject to the Terms and Conditions in respect of the priority of payment which were in effect before the amendment of the Terms and Conditions effected as of 31st January, 2001 by the Amended and Restated Trust Deed dated 31st January, 2001 and made among the Issuers, the Guarantor and the Trustee;

“Pre-amendment Senior Subordinated Guarantee” means the Senior Subordinated Guarantee which is subject to the Terms and Conditions in respect of the priority of payment which were in effect before the amendment of the Terms and Conditions effected as of 31st January, 2001 by the Amended and Restated Trust Deed dated 31st January, 2001 and made among the Issuers, the Guarantor and the Trustee;

“Priority Indebtedness of BTMUH” means all liabilities (including those in respect of bonds, notes and debentures) of BTMUH other than indebtedness in respect of preference or other shares of BTMUH or any other indebtedness which ranks or is expressed to rank *pari passu* with, or junior to, the indebtedness of BTMUH in respect of the Undated Subordinated Notes issued by BTMUH;

“Priority Indebtedness of BTMU” means all deposit and other liabilities (including those in respect of bonds, notes and debentures) of BTMU including liabilities in respect of the Dated Subordinated Notes issued by BTMU, the Senior Subordinated Guarantee and Pre-amendment Senior Subordinated Guarantee, other than (i) liabilities of BTMU under the Undated Subordinated Notes issued by BTMU and liabilities of BTMU under the Junior Subordinated Guarantee, the payment of which is restricted by Condition 2(c) or 2(f) respectively, and (ii) other liabilities of BTMU with terms and conditions substantially equivalent or subordinate in priority of payment as to liquidation distributions to the liabilities of BTMU stipulated above in Condition 2(c) or 2(f) (including the liabilities under the Pre amendment Junior Subordinated Guarantee and other liabilities ranking *pari passu* with or junior to the Pre-amendment Junior Subordinated Guarantee);

“Regulatory Event” means an event whereby BTMU’s total risk-based capital ratio calculated either on a consolidated or non-consolidated basis entered in the Latest Operation Report falls below half of the Required Capital Ratio;

“Reorganisation Law” means the Japanese Corporate Reorganisation Law (Law No. 154 of 2002, as amended) as amended or replaced from time to time;

“Required Capital Ratio” is the minimum total risk-based capital ratio calculated either on a consolidated or non-consolidated basis which BTMU is required under the Banking Law to have as of the last day of the business period in relation to the Latest Operation Report. Currently, BTMU is required to have total risk-based capital ratio calculated either on a consolidated basis or non consolidated basis of 8 per cent. or more

under the Ministry of Finance/FSA Notice Concerning Determination of the Criteria of Capital Ratio under the Banking Law;

“Senior Indebtedness of BTMUH” means all liabilities (including those in respect of bonds, notes and debentures) of BTMUH other than those which are expressed to rank *pari passu* with or junior to the Dated Subordinated Notes issued by BTMUH;

“Senior Indebtedness of BTMU” means all deposit and other liabilities (including those in respect of bonds, notes and debentures) of BTMU other than (i) liabilities under the Dated Subordinated Notes issued by BTMU and liabilities under the Senior Subordinated Guarantee which shall not have become due and payable prior to the date on which a BTMU Subordination Event shall have occurred and (ii) other liabilities ranking *pari passu* with or junior to the Dated Subordinated Notes issued by BTMU or the Senior Subordinated Guarantee (including the liabilities under the Pre-amendment Senior Subordinated Guarantee and other liabilities ranking *pari passu* with or junior to the Pre-amendment Senior Subordinated Guarantee); and

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

3 Negative Pledge

In the case of Unsubordinated Notes only, so long as any of the Unsubordinated Notes remains outstanding (as defined in the Trust Deed) (excluding Unsubordinated Notes in respect of which all amounts of principal and interest have been duly paid to the Trustee or the Agent in the manner described in the Trust Deed and remain available (subject to Condition 8) for payment against presentation of such Notes or the Receipts or the Coupons appertaining thereto), the Issuer will not create or permit to subsist any mortgage, charge, pledge or other security interest upon the whole or any part of its assets, present or future, to secure any Securities issued by it or any guarantee by it of Securities issued by others (whether heretofore or hereafter) unless the Unsubordinated Notes are equally and rateably secured so as to rank *pari passu* with such Securities or the guarantee thereof. For the purposes of this provision, “Securities” means any indebtedness in the form of or represented by bonds, notes, debentures or other securities which either are expressed to be payable or confer a right to receive payment in any currency other than Yen or are denominated in Yen and more than 50 per cent. of the aggregate principal amount thereof is initially distributed by or with the authorisation of the Issuer outside Japan, provided that Securities do not include (i) any such indebtedness which is issued and outstanding at the time of the issue of the Unsubordinated Notes that does not include a negative pledge provision and includes provisions that require the Issuer to create or permit to subsist a mortgage, charge, pledge or other security interest with respect to such indebtedness, or (ii) any such indebtedness with respect to which a security interest is required to be provided pursuant to applicable laws and governmental regulations and guidelines.

4 Interest

(a) Interest on Fixed Rate Notes

Each Note specified in the applicable Final Terms as a Fixed Rate Note (“Fixed Rate Note”) bears interest on its nominal amount (or, if it is specified in the applicable Final Terms as a Partly Paid Note (“Partly Paid Note”), the amount paid up or, if it is an Instalment Note (“Instalment Note”), its outstanding principal amount) from (and including) the date specified in the applicable Final Terms as the Interest Commencement Date (the “Interest Commencement Date”) at the rate(s) per annum equal to the rate(s) specified in the applicable Final Terms as the Fixed Rate(s) of Interest (the “Fixed Rate(s) of Interest”) payable in arrear (subject to Condition 2(g) in the case of Undated Subordinated Notes) on the date(s) specified in the applicable Final Terms as the Fixed Interest Date(s) (the “Fixed Interest Date(s)”) in each year and on the date specified in the applicable Final Terms as the Maturity Date (the “Maturity Date”) if that does not fall on a Fixed Interest Date. The first payment of interest will be made

on the Fixed Interest Date next following the Interest Commencement Date and, if the first anniversary of the Interest Commencement Date is not a Fixed Interest Date, will be the amount specified in the applicable Final Terms as the Initial Broken Amount per the Calculation Amount specified in the applicable Final Terms (“Initial Broken Amount”). If the Maturity Date is not a Fixed Interest Date, interest from (and including) the preceding Fixed Interest Date (or the Interest Commencement Date, as the case may be) to (but excluding) the Maturity Date will be the amount specified in the applicable Final Terms as the Final Broken Amount per the Calculation Amount specified in the applicable Final Terms (“Final Broken Amount”). Subject to the above, the amount of interest payable per the Calculation Amount specified in the applicable Final Terms on each Fixed Interest Date shall be the Fixed Interest Amount specified in the applicable Final Terms.

If interest is required to be calculated, such interest shall be calculated per the Calculation Amount specified in the relevant Final Terms on an Actual/Actual (ICMA) basis, 30E/360 (or “Eurobond Basis”), or in such other way as specified in the relevant Final Terms (the “Day Count Fraction”).

For the purposes of this Condition 4(a),

- (i) “Actual/Actual (ICMA)” means:
 - (a) where the calculation of an amount for any period of time (the “Calculation Period”) is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
 - (b) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (c) “Regular Period” means:
 - (A) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Fixed Interest Date and each successive period from and including one Fixed Interest Date to but excluding the next Fixed Interest Date;
 - (B) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “Regular Date” means the day and month (but not the year) on which any Fixed Interest Date falls; and
 - (C) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “Regular Date” means the day and month (but not the year) on which any Fixed Interest Date falls other than the Fixed Interest Date falling at the end of the irregular Interest Period;
- (ii) “30E/360” or “Eurobond Basis” means in respect of the calculation of an amount for any period of time (the “Calculation Period”), the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30; and

- (iii) “Interest Period” means each period beginning on (and including) the Interest Commencement Date or any Fixed Interest Date and ending on (but excluding) the next Fixed Interest Date, or such other period as specified in the applicable Final Terms.

(b) *Interest on Floating Rate Notes*

(i) Interest Payment Dates

Each Note specified in the applicable Final Terms as a Floating Rate Note (“Floating Rate Note”) bears interest on its nominal amount (or, if it is a Partly Paid Note, the amount paid up or, if it is an Instalment Note, its outstanding principal amount) from (and including) the Interest Commencement Date at the rate equal to the Rate of Interest payable in arrear (subject to Condition 2(g), in the case of Undated Subordinated Notes) on either:

- (A) the date(s) specified in the applicable Final Terms as the Interest Payment Date(s) (“Interest Payment Date(s)”) in each year; or
- (B) if no express Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an “Interest Payment Date”) which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

If any Interest Payment Date (or other date) which is specified in the applicable Final Terms to be subject to adjustment in accordance with a business day convention would otherwise fall on a day which is not a Business Day, then, if the business day convention specified is:

- (1) in any case where Interest Periods are specified in accordance with Condition 4(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date (or other date) shall be the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding applicable Interest Payment Date (or other date) occurred;

-
- (2) the Following Business Day Convention, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day;
 - (3) the Modified Following Business Day Convention, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other such date) shall be brought forward to the immediately preceding Business Day; or
 - (4) the Preceding Business Day Convention, such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day.

In this Condition, “Business Day” means a day which is both:

- (A) a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such place as is specified in the applicable Final Terms (each an “Additional Business Centre”); and
- (B) either (1) in relation to interest payable in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency (if other than any Additional Business Centre and which if the Specified Currency is Australian dollars shall be Sydney and which if the Specified Currency is New Zealand dollars shall be Auckland) or (2) in relation to interest payable in Euro, a TARGET Business Day. For these purposes, “TARGET Business Day” means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as (TARGET2) System is operating.

(ii) Rate of Interest

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

(iii) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (iii), “ISDA Rate” for an Interest Period means a rate equal to the Floating Rate that would be determined by such agent as is specified in the applicable Final Terms under an interest rate swap transaction if that agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is the period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate (“LIBOR”) or the Euro-zone interbank offered rate (“EURIBOR”) for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (iii), “Floating Rate”, “Calculation Agent”, “Euro-zone”, “Floating Rate Option”, “Designated Maturity” and “Reset Date” have the meanings given to those terms in the 2006 ISDA Definitions.

When this sub-paragraph (iii) applies, in respect of each relevant Interest Period such agent as is specified in the applicable Final Terms will be deemed to have discharged its obligations under Condition 4(b)(vi) in

respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this sub-paragraph (iii).

(iv) Screen Rate Determination

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation (if there is only one quotation on the page specified in the applicable Final Terms as the Relevant Screen Page (the “Relevant Screen Page”) as is specified in the applicable Final Terms; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the rate specified in the applicable Final Terms as the Reference Rate (“Reference Rate”) which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time) where the Reference Rate is LIBOR or 11.00 a.m. (Central European Time) where the Reference Rate is EURIBOR on the date specified in the applicable Final Terms as the Interest Determination Date (“Interest Determination Date”) in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any) specified as such in the applicable Final Terms, all as determined by such agent as is specified in the applicable Final Terms. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by such agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest pursuant to this sub-paragraph (iv) in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Final Terms.

(v) Minimum and/or Maximum Rate of Interest

If the applicable Final Terms specifies a minimum Rate of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be less than such minimum Rate of Interest and/or if it specifies a maximum Rate of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be greater than such maximum Rate of Interest.

(vi) Determination of Rate of Interest and Calculation of Interest Amount

The Agent, the Registrar or such other person as is specified as the Calculation Agent in the applicable Final Terms will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the amount of interest payable in respect of each Calculation Amount (each an “Interest Amount”) for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying such sum by the actual number of days in the Interest Period concerned divided by 360, or such other denominator determined by the Agent, the Registrar or such other person as is specified in the applicable Final Terms to be customary for such calculation, and rounding the resultant figure to the nearest U.S. cent (or its appropriate equivalent

in the relevant Specified Currency), half a U.S. cent (or its approximate equivalent in the relevant Specified Currency) being rounded upwards.

(vii) Notification of Rate of Interest and Interest Amount

The Agent or such other person as is specified as the Calculation Agent in the applicable Final Terms will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Guarantor, the Agent (if not the Calculation Agent), the Trustee and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the first day of the relevant Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to the Issuer, the Guarantor, the Agent (if not the Calculation Agent), the Trustee, each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 13.

(viii) Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations, notifications and decisions given, expressed, made or obtained for the purposes of the provisions of this paragraph (b), by the Agent or such other person as is specified as the Calculation Agent in the applicable Final Terms shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor, the Trustee, the Agent or that other person, as the case may be, the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Guarantor, the Trustee, the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent or that other person in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Indexed Notes and Dual Currency Notes*

In the case of Notes in respect of which principal (“Indexed Redemption Amount Notes”) or interest (“Indexed Interest Notes”) or both is or are calculated by reference to an index or a formula or both (generically “Indexed Notes”) or Notes in respect of which principal or interest or both is or may be payable in one or more Specified Currencies other than the Specified Currency in which they are denominated (“Dual Currency Notes”), if the rate or amount of interest falls to be determined by reference to an index and/or a formula or, as the case may be, an exchange rate, the rate or amount of interest payable shall be determined in the manner specified in the applicable Final Terms.

(d) *Partly Paid Notes and Instalment Notes*

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Final Terms. In the case of Instalment Notes (other than Instalment Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the outstanding principal amount of such Notes and otherwise as specified in the applicable Final Terms.

(e) *Accrual of Interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue on unpaid amounts until whichever is the earlier of:

-
- (1) the date on which all amounts due in respect of such Note have been paid; and
 - (2) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given in accordance with Condition 13 or individually.

5 Payments

(a) Method of Payment

Subject as provided below:

- (i) payments in a Specified Currency other than Euro will be made by transfer to an account in the relevant Specified Currency maintained by the payee with, or by a cheque in such Specified Currency drawn on, a bank (which, in the case of payment in Sterling, shall be a town clearing branch of a bank in the City of London) in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney); and
- (ii) payments in Euro will be made by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee, or at the option of the payee, by a Euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7.

(b) Presentation of Notes, Receipts and Coupons

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against surrender of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against surrender of Coupons, in each case at the specified office of any Paying Agent outside the United States.

Payments of instalments of principal (if any), other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender of the relevant Receipt. Payment of the final instalment will be made in the manner provided in paragraph (a) above against surrender of the relevant Note. Each Receipt must be presented for payment of the relevant instalment together with the definitive Note to which it appertains. Receipts presented without the definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer or the Guarantor. Upon the date on which any definitive Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive Bearer form (other than Dual Currency Notes or Indexed Interest Notes) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due. Upon any Fixed Rate Note becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note or Indexed Interest Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any definitive Bearer Note is not a Fixed Interest Date or an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Fixed Interest Date or Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

Payments of principal and interest (if any) in respect of Notes represented by any bearer global Note will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant global Note against presentation or surrender, as the case may be, of such global Note at the specified office of any Paying Agent. A record of each payment made against presentation or surrender of such global Note, distinguishing between any payment of principal and any payment of interest, will be made on such global Note by such Paying Agent and such record shall be prima facie evidence that the payment in question has been made.

The holder of a global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer and the Guarantor will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the beneficial holder of a particular nominal amount of Notes represented by such global Note must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for his share of each payment so made by the Issuer or the Guarantor to, or to the order of, the holder of such global Note. No person other than the holder of such global Note shall have any claim against the Issuer or the Guarantor in respect of any payments due on that global Note.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Note in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for payment in such Specified Currency or conversion into U.S. dollars in accordance with the provisions of the Agency Agreement.

Notwithstanding the foregoing, U.S. dollar payments of principal and interest in respect of the Notes will be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

Payments of principal in respect of Registered Notes will be made in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of any sum due only, endorsement) of such Registered Notes at the specified office of either the Registrar or at the specified office of any Paying Agent. Payments of interest due on a Registered Note and payments of instalments (if any) of principal on a Registered Note, other than the final instalment, will be made to the person in whose name such Registered Note is registered at the close of business (x) in the case of Registered Notes in definitive form, on the fifteenth day (whether or not such fifteenth day is a business day (being for the purpose a day on which banks are open for business in the city where the specified office of the relevant Registrar is located)), or (y) in the case of Registered Global Notes, on the first Clearing System Business Day (as defined below) (each, the "Record Date") prior to such due date "Clearing System Business Day" means a day on which each clearing system for which the relevant Registered

Global Note is being held is open for business. In the case of payments by cheque, cheques will be mailed to the holder (or the first named of joint holders) at such holder's registered address on the due date. If payment is required by credit or transfer as referred to in paragraph (a) above, application for such payment must be made by the holder to the relevant Registrar not later than the relevant Record Date.

(c) *Payment Day*

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes (unless otherwise specified in the applicable Final Terms), "Payment Day" means any day which is both:

- (i) (in the case of Notes in definitive form only) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation;
- (ii) a Business Day (as defined in Condition 4(b)(i)); and
- (iii) in the case of any payment in respect of a Restricted Global Note denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and, in respect of which an accountholder of DTC (with an interest in such Restricted Global Note) has elected to receive any part of such payment in U.S. dollars, not a day on which banking institutions are authorised or required by law or regulation to be closed in New York City.

(d) *Interpretation of Principal and Interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7 or pursuant to any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Instalment Notes, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount; and
- (vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7.

(e) *Appointment of Agents*

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below.

The Issuer and the Guarantor are entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

-
- (i) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange; and
 - (ii) there will at all times be an Agent.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the penultimate paragraph of Condition 5(b). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 13.

6 Redemption and Purchase

(a) At Maturity

Unless previously redeemed or purchased and cancelled as specified below or unless such Note is specified in the applicable Final Terms as an Undated Note ("Undated Note"), each Note will be redeemed by the Issuer at its Final Redemption Amount ("Final Redemption Amount") specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date. Undated Notes have no Maturity Date and will only be redeemable or repayable in accordance with paragraphs (b) and (c) (if applicable) of this Condition and Condition 9(c) and, in the case of Undated Notes, references to Maturity Date and Final Redemption Amount in these Terms and Conditions are not applicable.

(b) Redemption for Tax Reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (in the case of Notes other than Floating Rate Notes or Indexed Notes) or on any Interest Payment Date (in the case of Floating Rate Notes or Indexed Notes), on giving not less than 30 nor more than 45 days' notice to Noteholders (which notice shall be irrevocable), if the Issuer or the Guarantor has been or would be required for reasons outside its control to pay additional amounts in accordance with Condition 7. In the case of Dated Subordinated Notes or Undated Subordinated Notes, the option contained in this Condition 6(b) may only be exercised by the Issuer with the prior consent of the FSA.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) below together, if appropriate, with interest accrued to (but excluding) the date of redemption.

(c) Redemption at the Option of the Issuer

If the Issuer is specified in the applicable Final Terms as having an option to redeem, the Issuer may, having given not less than 14 nor more than 45 days' notice to the Noteholders in accordance with Condition 13 or, such other period of notice as is indicated in the applicable Final Terms (which notice shall be irrevocable), redeem all or some only of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s). In the case of Dated Subordinated Notes or Undated Subordinated Notes, any such redemption is subject to the prior consent of the FSA being obtained.

Any such redemption must be of a nominal amount equal to the Minimum Redemption Amount or a Maximum Redemption Amount, both as indicated in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed ("Redeemed Notes") will be selected individually by lot (without involving any part of a Bearer Note), in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg and/or, as the case may be, DTC, in the case of Redeemed Notes represented by a global Note, not more than 60 days prior to the date fixed for redemption (such date of

selection being hereinafter called the “Selection Date”). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than 30 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant global Note will be permitted during the period from and including the Selection Date to and including the date fixed (or redemption pursuant to this sub-paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 13 at least 15 days prior to the Selection Date.

(d) Redemption of Notes at the Option of the Noteholders

If the Noteholders are specified in the applicable Final Terms as having an option to redeem, upon the holder of any Note giving to the Issuer in accordance with Condition 13 not less than 30 nor more than 60 days’ notice or such other period of notice as is specified in the applicable Final Terms (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem, subject to and in accordance with the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of any Note in definitive form, the holder of such Note must deliver such Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a “Put Notice”) and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition.

(e) Early Redemption Amounts

For the purpose of paragraph (b) above and Condition 9, the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- (i) in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- (ii) in the case of Notes (other than Zero Coupon Notes but including Instalment Notes and Partly Paid Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the Final Terms, at their nominal amount; or
- (iii) in the case of Zero Coupon Notes, at an amount (the “Amortised Face Amount”) equal to the sum of:
 - (A) the price specified in the applicable Final Terms as the Reference Price (the “Reference Price”); and
 - (B) the product of the amortisation yield specified in the applicable Final Terms as the Accrual Yield (the “Accrual Yield”) (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable,

or such other amount as is provided in the applicable Final Terms.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the actual number of days elapsed, or such other calculation basis as may be specified in the applicable Final Terms.

(f) Instalments

Instalment Notes will be repaid in instalments the amount of which (“Instalment Amount”) and the dates on which each Instalment Amount is repayable (each an “Instalment Date”) will be specified in the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (e) above.

(g) Partly Paid Notes

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Final Terms.

(h) Purchases

The Issuer, the Guarantor or any of their respective subsidiaries may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise provided that, in the case of Dated Subordinated Notes or Undated Subordinated Notes, any such purchase by the Issuer will be subject to prior consent being obtained from the FSA. Such Notes may be held, resold or, at the option of the Issuer or the Guarantor, surrendered to any Paying Agent for cancellation.

(i) Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts and Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to paragraph (h) above (together with all unmatured Receipts and Coupons cancelled therewith) shall be forwarded to the Agent and cannot be re-issued or resold. The Principal Paying Agent shall notify the Registrar of such cancelled Notes in the case of any Registered Notes surrendered to it.

(j) Late Payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraphs (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e) (iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholder in accordance with Condition 13.

7 Taxation

In the case of Notes issued by BTMUH, all payments of principal and interest in respect of the Notes by the Issuer or the Guarantor will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Curaçao or Japan or any authority

therein or thereof having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer or the Guarantor will pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders, Receiptholders or Couponholders after such withholding or deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon presented for payment:

- (i) by or on behalf of a holder who is liable to pay such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with Curaçao or Japan other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof; or
- (ii) by or on behalf of a holder who is able to avoid such withholding or deduction by making a declaration of non-residency or other similar claim for exemption; or
- (iii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26th-27th November, 2000;
- (iv) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the EU; or
- (v) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on such thirtieth day.

In the case of the Notes issued by BTMU, all payments of principal and interest in respect of the Notes, Receipts or Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Japan, or any authority therein or thereof having power to tax (the “Taxes”), unless such withholding or deduction of such Taxes is required by law. In such event, the Issuer shall pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders, Receiptholders or Couponholders after such withholding or deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction, except that no additional amounts shall be payable with respect to any Note, Receipt or Coupon presented for payment:

- (i) by or on behalf of a holder who is a non-resident of Japan or a non-Japanese corporation and is liable for such Taxes in respect of such Note, Receipt or Coupon by reason of its (a) having some connection with Japan other than the mere holding of such Note, Receipt or Coupon or (b) being an individual non-resident of Japan or a non-Japanese corporation that in either case is a person or an entity directly or indirectly controlling, or directly or indirectly controlled by, or under direct or indirect common control with, BTMU as described in Article 6 of the Special Taxation Measures Law of Japan (Law No. 26 of 1957, as amended, the “Special Taxation Measures Law”) (a “Specially-Related Party of BTMU”); or
- (ii) by or on behalf of a holder who would otherwise be exempt from any such withholding or deduction but who fails to comply with any applicable requirement to provide Interest Recipient Information (as defined below) or to submit a Claim for Exemption (as defined below) to the Paying Agent to whom the relevant Note, Receipt or Coupon is presented, or whose Interest Recipient Information is not duly communicated through the Participant (as defined below) and the relevant international clearing organisation to such Paying Agent; or
- (iii) by or on behalf of a holder who is for Japanese tax purposes treated as a resident of Japan or a Japanese corporation (except for (a) a Designated Financial Institution (as defined below) who complies with

the requirement to provide Interest Recipient Information or to submit a Claim for Tax Exemption and (b) a resident of Japan or a Japanese corporation who duly notifies (directly or through the Participant or otherwise) the relevant Paying Agent of its status as exempt from Taxes to be withheld or deducted by the Issuer by reason of such resident of Japan or Japanese corporation receiving interest on the relevant Note through a payment handling agent in Japan appointed by it); or

- (iv) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26th-27th November, 2000; or
- (v) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the EU; or
- (v) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on such thirtieth day.

Where a Note, Receipt or Coupon is held through a certain participant of an international clearing organisation or a certain financial intermediary (each, a “Participant”), in order to receive payments free of withholding or deduction by the Issuer for, or on account of Taxes, if the relevant holder is (a) a non-resident of Japan or a non-Japanese corporation (other than a Specially-Related Party of BTMU) or (b) a Japanese financial institution falling under certain categories prescribed by the Special Taxation Measures Law and the cabinet order (Cabinet Order No. 43 of 31st March, 1957, as amended, the “Cabinet Order”) thereunder (together with the ministerial ordinances and other regulations thereunder, the “Law”) (a “Designated Financial Institution”), all in accordance with the Law, such holder shall, at the time of entrusting a Participant with the custody of the relevant Note, Receipt or Coupon, provide certain information prescribed by the Law to enable the Participant to establish that such holder is exempted from the requirement for Taxes to be withheld or deducted (the “Interest Recipient Information”) and advise the Participant if the holder ceases to be so exempted (including the case where the holder who is a non-resident of Japan or a non-Japanese corporation became a Specially-Related Party of BTMU).

Where a Note, Receipt or Coupon is not held by a Participant, in order to receive payments free of withholding or deduction by the Issuer for, or on account of, Taxes, if the relevant holder is (a) a non-resident of Japan or a non-Japanese corporation (other than a Specially-Related Party of BTMU) or (b) a Designated Financial Institution, all in accordance with the Law, such holder shall prior to each time on which it receives interest, submit to the relevant Paying Agent a claim for exemption from withholding tax (*Hikazei Tekiyo Shinkokusho*) (a “Claim for Exemption”) in a form obtainable from the Paying Agent stating, inter alia, the name and address of the holder, the title of the Notes, the relevant Interest Payment Date, the amount of interest and the fact that the holder is qualified to submit the Claim for Exemption, together with documentary evidence regarding its identity and residence.

As used herein the “Relevant Date” means whichever is the later of (a) the date on which payment first becomes due and (b) if the full amount of the moneys payable has not been received by or on behalf of the Trustee or the Principal Paying Agent on or prior to such date, the date on which, the full amount of such moneys having been so received, notice to the effect shall have been duly published in accordance with Condition 12.

8 Prescription

The Notes, Receipts and Coupons will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

The prescription period in respect of Talons shall be:

- (a) as to any Talon the original due date for exchange of which falls within twelve years immediately prior to the due date for redemption (pursuant to Condition 6(a), 6(b), 6(c) or 6(d), in each case (apart

from Condition 6(b) if applicable) of the Note to which it pertains, six years from the Relevant Date for the redemption of such Note, but so that the Coupon sheet for which it is exchangeable shall be issued without any Coupon itself prescribed in accordance with this Condition 8 or the Relevant Date for payment of which would fall after the Relevant Date for the redemption of the relevant Note and without a Talon; and

- (b) as to any other Talon, twelve years from the Relevant Date for payment of the last Coupon of the Coupon sheet of which it formed part.

9 Events of Default

(a) Unsubordinated Notes

In the case of Unsubordinated Notes, if any one or more of the following events (each an “Event of Default”) shall have occurred and be continuing, that is to say:

- (i) default by the Issuer in the payment when due of the interest or principal in respect of any of the Unsubordinated Notes and the continuance of any such default for a period of 30 days after the date when due, unless the Issuer or the Guarantor shall have cured such default by payment within such period; or
- (ii) the Issuer shall fail duly to perform or observe any other term, covenant or agreement contained in any of the Unsubordinated Notes or the Trust Deed or the Guarantor shall fail duly to perform or observe any other term, covenant or agreement contained in the Trust Deed, in either case for a period of 90 days after the date on which written notice of such failure, requiring the Issuer or the Guarantor, as the case may be, to remedy the same, shall have been given first to the Agent by the Trustee; or
- (iii) the maturity of any indebtedness for external borrowings by the Issuer, or by the Guarantor, or by any majority-owned subsidiary of BTMU and in any way guaranteed by BTMU, shall have been accelerated by or on behalf of the holder of such indebtedness in accordance with the terms thereof or any agreement relating thereto, or any such indebtedness shall not have been paid when due on maturity and such failure shall not have been cured within the grace period, if any; and such acceleration or default as the case may be is (i) not being contested in good faith by the Issuer or the Guarantor or the majority-owned subsidiary of BTMU, as the case may be, or (ii) not cured or otherwise made good within 15 days after the date upon which written notice of such default shall have been given to the Agent by the Trustee. For the purposes of this provision “indebtedness for external borrowings” means bonds, debentures and notes (other than the Notes) which either are expressed to be payable or confer a right to receive payment in any currency other than Yen or are denominated in Yen and more than 50 per cent. of the aggregate principal amount thereof is initially distributed by or with the authorisation of the Issuer or the Guarantor outside Japan, having in any case an aggregate principal amount for the time being outstanding of at least U.S.\$10,000,000 (or the equivalent thereof) issued by the Issuer or the Guarantor, or by any majority-owned subsidiary of BTMU and in any way guaranteed by BTMU, and which are not repayable (other than at the option of the issuer thereof or by reason of default prior to maturity) within three years of the issue thereof; or
- (iv) cessation of business by the Issuer or the Guarantor or disposal (other than in the ordinary course of business) of the whole or a substantial part of its assets (in either case, other than for the purpose of an amalgamation or merger provided that the rights of the holders of the Unsubordinated Notes shall not be impaired and that the continuing or successor corporation has expressly and effectively assumed the obligations of the Issuer or the Guarantor under the Unsubordinated Notes and the Trust Deed); or

-
- (v) a decree or order by any court having jurisdiction shall have been issued adjudging the Issuer or the Guarantor bankrupt or insolvent or approving a petition seeking with respect to the Issuer or Guarantor a decree of commencement of composition, commencement of reorganisation procedures, or, with respect to BTMU, reorganisation under the Bankruptcy Law, the Civil Rehabilitation Law, the Reorganisation Law, the Company Law or any other similar applicable law of Japan, and such decree or order shall have continued undischarged or unstayed for a period of 60 days; or a decree or order of a court having jurisdiction for the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Issuer or the Guarantor or of all or substantially all of its property or for the winding-up or liquidation of its affairs, shall have been issued, and such decree or order shall have continued undischarged or unstayed for a period of 60 days; or
 - (vi) the Issuer or the Guarantor shall institute proceedings seeking adjudication of bankruptcy or seeking with respect to itself a decree of commencement of composition, commencement of reorganisation procedures, or, with respect to BTMU, reorganisation under the Bankruptcy Law, the Civil Rehabilitation Law, the Reorganisation Law, the Company Law or any other similar applicable law of Japan, or shall consent to the institution of any such proceedings or shall consent to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of itself or of all or substantially all of its property, or shall make a general assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due; or
 - (vii) in respect of Notes issued by BTMUH, BTMUH ceases to be wholly-owned and controlled, directly or indirectly, by the Guarantor,

then the Trustee at its discretion may, and if so requested by holders of at least one-fifth in principal amount of the Unsubordinated Notes then outstanding or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) shall, give notice to the Issuer and the Guarantor that the Unsubordinated Notes are, and they shall immediately become, due and payable at their Early Redemption Amount (as defined in Condition 6(e)) together, if appropriate, with accrued interest thereon, such interest to accrue and be paid in accordance with Condition 4.

(b) Dated Subordinated Notes

In the case of Dated Subordinated Notes, if a BTMU Subordination Event shall occur and be continuing, the Trustee at its discretion may, and if so requested by the holders of at least one-fifth in principal amount of the Dated Subordinated Notes then outstanding or by an Extraordinary Resolution shall, give notice to the Issuer and the Guarantor that the Dated Subordinated Notes are immediately due and payable as described below. Upon delivery of such notice to the Issuer and the Guarantor the Dated Subordinated Notes shall immediately become due and payable at their Early Redemption Amount (as defined in Condition 6(e)) together, if appropriate, with accrued interest thereon, such interest to accrue and be paid in accordance with Condition 4. If a court of competent jurisdiction with respect to BTMU shall rescind a declaration of bankruptcy without a distribution of assets pursuant to the Bankruptcy Law or the Civil Rehabilitation Law or shall rescind or terminate a reorganisation without approving the plan of reorganisation pursuant to the Reorganisation Law, then such event shall have the same effect as if it had not occurred.

(c) Undated Subordinated Notes

Undated Subordinated Notes shall become immediately due and payable if a Condition for Liquidation Payment (as defined in Condition 2) shall occur; but only to the extent that the aggregate of (i) the amount in respect of principal of the Undated Subordinated Notes (except for amounts which shall have become due and payable prior to the occurrence of such Condition for Liquidation Payment), (ii) the amount in respect of interest on the Undated Subordinated Notes (except for amounts which shall have become due and payable prior to the occurrence of such Condition for Liquidation Payment) and (iii) the liquidation distributions in respect of all Liquidation Parity Securities shall not exceed the liquidation distributions that would have been paid from the assets of BTMU had such principal, interest and all such Liquidation Parity Securities been preference shares of BTMU

ranking most senior in priority of payment as to liquidation distributions. Redemption shall be at the principal amount thereof together with interest accrued thereon to but excluding the date of redemption.

(d) Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantor as it may think fit to enforce the terms of the Trust Deed, but it need not take any such proceedings unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-fifth in principal amount of the Notes outstanding, and (ii) it shall have been indemnified to its satisfaction. Non payment of principal or interest in respect of any Dated Subordinated Note or any Undated Subordinated Note or breach of any provisions in the Trust Deed will not cause any Dated Subordinated Note or Undated Subordinated Note to become due and payable. No Noteholder, Receiptholder or Couponholder may proceed directly against the Issuer and/or the Guarantor unless the Trustee, having become bound to proceed, fails to do so within a reasonable period of time and such failure shall be continuing in which case the Noteholder, Receiptholder or Couponholder shall only have such rights against the Issuer and/or the Guarantor as those which the Trustee is entitled to exercise.

10 Exchange of Notes, Transfer of Definitive Registered Notes and Replacement of Notes, Receipts, Coupons and Talons

(a) Exchange of Bearer Notes for Registered Notes

A Permanent Bearer Global Note or a Bearer Note in definitive form may be exchanged for Registered Notes of like aggregate nominal amount (in global or definitive form) by submission of a duly completed request for exchange substantially in the form provided in the Agency Agreement (an “Exchange Request”), copies of which are available from the specified office of the Registrar or any Transfer Agent, together with the Bearer Note and all unmatured Coupons, Talons and Receipts appertaining thereto, to any Transfer Agent at its specified office. Within three business days of the request, if the Registered Notes for which the Bearer Note is to be exchanged are in definitive form, the relevant Transfer Agent will authenticate and deliver, or procure the authentication and delivery of, at its specified office to the holder or (at the risk of the holder) send by mail to such address as may be specified by the holder in the Exchange Request, a Registered Note of a like aggregate nominal amount to the Bearer Note(s) exchanged and will enter the exchange of the Bearer Note(s) in the Register maintained by the Registrar as of the Exchange Date. If the Registered Note(s) for which such Bearer Note(s) is/are to be exchanged is/are in global form, the amount of the applicable Registered Global Note(s) will be increased accordingly.

Exchange Requests may not be presented on or after the Record Date (as defined in Condition 5(b)) in respect of any Fixed Interest Date or Interest Payment Date up to and including such Fixed Interest Date or Interest Payment Date. Interest on a Registered Note issued on exchange will accrue as from the immediately preceding Fixed Interest Date or Interest Payment Date, as the case may be.

No exchanges of Bearer Notes for Registered Global Notes will be permitted for so long as the Bearer Notes are represented by a Temporary Bearer Global Note.

(b) Form of Registered Notes

Registered Notes of each Tranche sold outside the United States in reliance on Regulation S under the United States Securities Act of 1933, as amended (the “Securities Act”), will be represented by a permanent global Note in registered form, without interest coupons, (a “Reg. S Global Note”) deposited with a custodian for, and registered in the name of a nominee of, a common depository for Euroclear and Clearstream, Luxembourg for the accounts of their respective participants. Notes in definitive form issued in exchange for Reg. S Global Notes or otherwise sold or transferred in reliance on Regulation S under the Securities Act, together with the Reg. S Global Notes, are referred to herein as “Reg. S Notes”. Prior to expiry of the period that ends 40 days after completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer, in the case of a non-syndicated issue, or by the lead manager or managing underwriter (the “Lead Manager”), in the case of a syndicated issue (the

“Distribution Compliance Period”), beneficial interests in a Reg. S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the Securities Act) and may be held only through Euroclear or Clearstream, Luxembourg.

Registered Notes of each Tranche sold in private transactions to qualified institutional buyers (“QIBs”) within the meaning of Rule 144A under the Securities Act (“Rule 144A”) will be represented by a permanent global Note in registered form, without interest coupons (a “Restricted Global Note” and, together with a Reg. S Global Note, the “Registered Global Notes”) deposited with a custodian for, and registered in the name of a nominee of, DTC. Notes in definitive form issued in exchange for Restricted Global Notes or otherwise sold or transferred in accordance with the requirements of Rule 144A, together with the Restricted Global Notes, are referred to herein as “Restricted Notes”.

Registered Notes of each Tranche sold to, or subsequently purchased by, accredited investors (as defined in Rule 501 (a) (1), (2), (3) or (7) under the Securities Act) which are institutions (“Institutional Accredited Investors”) who agree to purchase the Notes for their own account and not with a view to the distribution thereof will be in definitive form, registered in the name of the holder thereof.

Registered Notes in definitive form issued to Institutional Accredited Investors and Restricted Notes shall bear the legend set forth in the Restricted Global Note (the “Legend”), such Notes being referred to herein as “Legended Notes”. Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the Legend, the Registrar shall (save as provided in Condition 10(f)) deliver only Legended Notes or refuse to remove such Legend, as the case may be, unless there is delivered to the Issuer and the Registrar such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

Registered Notes in definitive form from the date of issue may, if specified in the applicable Final Terms, be issued in reliance on Regulation S under the Securities Act.

Subject as otherwise provided in this Condition 10, Registered Notes in definitive form may be exchanged or transferred in whole or in part in the authorised denominations for one or more definitive Registered Notes of like aggregate nominal amount.

(c) Exchange of interests in Registered Global Notes for Registered Notes in definitive form

Interests in a Reg. S Global Note and a Restricted Global Note will be exchangeable for Registered Notes in definitive form, either (as specified in the applicable Final Terms) (A) in the following limited circumstances: (i) if Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, notifies the Issuer that it is unwilling or unable to continue as depository for such Registered Global Note, or (ii) if applicable, DTC ceases to be a “Clearing Agency” registered under the United States Securities Exchange Act of 1934 or either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces its intention permanently to cease business or does in fact do so and no alternative clearing system acceptable to the Trustee is available, (iii) if an Event of Default (as defined in Condition 9) occurs in relation to the Notes represented by such global Note, (iv) if the holder of a beneficial interest in a Restricted Global Note notifies the Registrar in writing that it is transferring such beneficial interest to an Institutional Accredited Investor who is required to hold its beneficial interest in the Registered Notes in definitive form, or (v) if the Trustee is satisfied that the Issuer would suffer a material disadvantage in respect of the Notes as a result of a change in the laws or regulations (taxation or otherwise) of any jurisdiction of the Issuer which would not be suffered were the Notes in definitive form, or (B) unless otherwise provided in the applicable Final Terms, a written request for one or more Registered Notes in definitive form is made by a holder of a beneficial interest in a Registered Global Note, provided that in the case of (B) such written notice or request, as the case may be, is submitted to the Registrar by the beneficial owner not less than 60 days (or such other period as may be indicated in the applicable Final Terms) prior to the requested date of such exchange. Upon the occurrence of any of the

events described in the preceding sentence, the Issuer will cause the appropriate Registered Notes in definitive form to be issued until expiry of the applicable Restricted Period.

(d) Transfers of Registered Global Notes

Transfers of a Registered Global Note shall be limited to transfers of such Registered Global Note, in whole but not in part, to a nominee of Euroclear, Clearstream, Luxembourg or DTC or to a successor of any of them or such successor's nominee.

(e) Transfers of interests in Reg. S Notes

Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Reg. S Note to a transferee in the United States will only be made:

- (i) upon receipt by the Registrar of a written certification substantially in the form set out in the Agency Agreement, amended as appropriate (a "Transfer Certificate"), copies of which are available from the specified office of the Registrar or any Transfer Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made:
 - (A) to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; or
 - (B) to a person who is an Institutional Accredited Investor, together with a duly executed investment letter from the relevant transferee substantially in the form set out in the Agency Agreement (an "IAI Investment Letter"); or
- (ii) otherwise pursuant to the Securities Act or any exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States,

and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

In the case of (A) above such transferee may take delivery through a Legended Note in global or definitive form and in the case of (B) above, such transferee may take delivery only through a Legended Note in definitive form. After expiry of the applicable Distribution Compliance Period such certification requirements will no longer apply to such transfers.

(f) Transfers of interests in Legended Notes

Transfers of Legended Notes or beneficial interests therein may be made:

- (i) to a transferee who takes delivery of such interest through a Reg. S Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the Transferor to the effect that such transfer is being made in accordance with Regulation S and that, if such transfer is being made prior to expiry of the applicable Distribution Compliance Period, the interests in the Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream, Luxembourg; or
- (ii) to a transferee who takes delivery of such interest through a Legended Note:
 - (A) where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or
 - (B) where the transferee is an Institutional Accredited Investor, subject to delivery to the Registrar of a Transfer Certificate from the transferor to the effect that such transfer is being made to an

Institutional Accredited Investor, together with a duly executed IAI Investment Letter from the relevant transferee; or

- (iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States;

in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Notes transferred by Institutional Accredited Investors to QIBs pursuant to Rule 144A or outside the United States pursuant to Regulation S will be eligible to be held by such QIBs or non-U.S. investors through DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and the Registrar will arrange for any Notes which are the subject of such a transfer to be represented by the appropriate Registered Global Note, where applicable.

(g) Exchange and transfers of Registered Notes generally

Registered Notes may not be exchanged for Bearer Notes.

Holders of Registered Notes in definitive form, other than Institutional Accredited Investors, may exchange such Notes for interests in a Registered Global Note of the same type at any time.

Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will be transferable and exchangeable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, Luxembourg as the case may be (the “Applicable Procedures”).

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms) by the holder or holders surrendering the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and upon the Registrar or, as the case may be, the relevant Transfer Agent, after due and careful enquiry, being satisfied with the documents of title and the identity of the person making the request and subject to such reasonable regulations at the Issuer and the Registrar, or as the case may be, the relevant Transfer Agent may with the prior approval of the Trustee prescribe, including any restrictions imposed by the Issuer on transfers of Registered Notes originally sold to a U.S. person. Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations) authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by mail to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

Exchanges or transfers by a holder of a Registered Note in definitive form for an interest in, or to a person who takes delivery of such Note through, a Registered Global Note will be made no later than 60 days after the receipt by the Registrar or as the case may be, relevant Transfer Agent of the Registered Note in definitive form to

be so exchanged or transferred and, if applicable, upon receipt by the Registrar of a written certification from the transferor.

(h) Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 6(c), the Issuer shall not be required:

- (a) to register the transfer of Registered Notes (or parts of Registered Notes) during the period beginning on the sixty-fifth day before the date of the partial redemption and ending on the date on which notice is given specifying the serial numbers of Notes called (in whole or in part) for redemption (both inclusive); or
- (b) to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(i) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered during the period of 30 days ending on the due date for any payment of principal or interest on that Note.

(j) Cost of exchange or registration

Noteholders will not be required to bear the costs and expenses of effecting any registration or transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration or exchange.

(k) Replacement of Notes, Receipts, Coupons and Talons

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Paying Agent (or, in the case of Registered Notes, the Registrar) in London upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

Where:

- (i) a Talon (the “relevant Talon”) has become prescribed in accordance with Condition 8;
- (ii) the Note to which the relevant Talon pertains has not become void through prescription;
- (iii) no Coupon sheet (or part thereof, being (a) Coupon(s) and/or a Talon, hereinafter called a “part Coupon Sheet”), which Coupon Sheet (or part thereof) would have been exchangeable for the relevant Talon or for any subsequent Talon bearing the same serial number, pertaining to such Note has been issued; and
- (iv) either no replacement Coupon sheet or part Coupon sheet has been issued in respect of any Coupon sheet or part Coupon sheet referred to in (iii) above or, in the reasonable opinion of the Issuer there is no reasonable likelihood that any such replacement has been issued,

then upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and the Guarantor may reasonably require there may be obtained at the specified office of the Paying Agent in London (or such other place of which notice shall be given in accordance with Condition 13) a Coupon sheet or Coupon sheets or part Coupon sheet(s), as the circumstances may require:

-
- (a) in the case of a Note that has become due for redemption, (x) without any Coupon itself prescribed in accordance with Condition 8 or the Relevant Date for payment of which would fall after the Relevant Date for the redemption of the relevant Note, and (y) without any Talon or Talons, as the case may be; or
 - (b) in any other case, without any Coupon or Talon itself prescribed in accordance with Condition 8 and without any Talon pertaining to a Coupon sheet the Relevant Date of the final Coupon of which falls on or prior to the date when the Coupon sheet(s) or part Coupon sheet(s) is/are delivered to or to the order of the claimant, but in no event shall any Coupon sheet be issued the original due date for exchange of which falls after the date of delivery of such Coupon sheet(s) as aforesaid.

For the avoidance of doubt, the provisions of this paragraph shall not give, or revive, any rights in respect of any Talon that has become prescribed in accordance with Condition 8.

11 Agent, Paying Agents, Transfer Agents, Exchange Agent and Registrars

The names of the initial Agent, the other initial Paying Agents, the initial Registrars, the initial Exchange Agent and the initial Transfer Agents and their initial specified offices are set out below.

The Issuer and the Guarantor are, with the prior approval of the Trustee, entitled to vary or terminate the appointment of any Paying Agent, Registrar, Transfer Agent or Exchange Agent and/or appoint additional or other Paying Agents, Registrars, Transfer Agents or Exchange Agents and/or approve any change in the specified office through which any Paying Agent, Registrar, Transfer Agent or Exchange Agent acts, provided that:

- (i) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent and a Transfer Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange;
- (ii) there will at all times be an Agent;
- (iii) there will at all times be a Transfer Agent having a specified office in a place approved by the Trustee;
- (iv) so long as any of the Registered Global Notes are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City;
- (v) so long as any of the Registered Global Notes are held through DTC or its nominee there will at all times be a Registrar with a specified office in New York City and in such place as may be required by the rules and regulations of the relevant stock exchange; and
- (vi) the Issuer and the Guarantor will ensure that they maintain a Paying Agent with a specified office in an European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council Meeting of 26th-27th November, 2000.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the penultimate paragraph of Condition 5(b). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 13.

12 Exchange of Talons

On and after the Fixed Interest Date or the Interest Payment Date, as appropriate, on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest

due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Fixed Interest Date or the Interest Payment Date (as the case may be) on which the final Coupon comprised in the relative Coupon sheet matures.

13 Notices

To Holders of Bearer Notes

All notices regarding the Notes shall be published in a leading English language daily newspaper published in London which is expected to be the Financial Times or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice will be deemed to have been given on the date of the first publication in all such newspapers as are applicable and Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

Until such time as any definitive Notes are issued, there may, so long as the global Note(s) is or are held in its or their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes. Any such notice shall be deemed to have been given to the holders of the Notes on the third day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which the Notes are, for the time being, admitted to listing, trading and/or quotation or other applicable authority to which it is subject.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a global Note, such notice may be given by any Noteholder to the Agent and/or the Registrar via Euroclear and/or Clearstream, Luxembourg as the case may be, in such manner as the Agent and/or the Registrar and Euroclear and/or Clearstream, Luxembourg as the case may be, may approve for this purpose.

To Holders of Registered Notes

Notices to holders of Registered Notes will be deemed to be validly given if sent by first class mail (or equivalent) or (if posted to an overseas address) by air mail to them (or, in the case of joint Holders, to the first-named in the register kept by the Registrar) at their respective addresses as recorded in the register kept by the Registrar, and will be deemed to have been validly given on the fourth weekday after the date of such mailing or, if posted from another country, on the fifth such day.

14 Meetings of Noteholders, Modification and Waiver

The Trust Deed contains provisions for convening meetings of the Noteholders to consider matters affecting their interests, including modification of any of these Terms and Conditions or any provisions of the Trust Deed. Any such modification may be made if sanctioned by an Extraordinary Resolution. The quorum for any meeting convened to consider an Extraordinary Resolution will be persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing holders of Notes whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to postpone the dates on which interest is payable in respect of the Notes, (ii) to reduce or cancel the principal amount of, or interest on, or to vary the method of calculating the rate of interest on, the Notes, (iii) to change the currency of payment of the Notes, (iv) to modify the provisions relating to payment of Arrears of Interest so that Arrears of Interest are payable upon terms less favourable to the Noteholders than those set forth in these Terms and Conditions, or (v) to modify the provisions concerning the quorum required at any meeting of the Noteholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing

not less than two-thirds or at any adjourned meeting not less than one-quarter, in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on all the Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all the Receiptholders and Couponholders.

The Trustee may, without the consent of the Noteholders, Receiptholders or Couponholders, at any time and from time to time concur with the Issuer and the Guarantor in making any modification to these Terms and Conditions or the Trust Deed if, in the opinion of the Trustee, any provision of these Terms and Conditions or the Trust Deed authorises the Trustee so to concur. Furthermore, the Trustee may, without the consent of the Noteholders, Receiptholders or Couponholders, agree to any modification (except as aforesaid) of the Terms and Conditions or the Trust Deed or to any waiver or authorisation of any breach or proposed breach by the Issuer and the Guarantor of the provisions of the Notes, Receipts or Coupons or the Trust Deed which, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders or to any modification of these Terms and Conditions or the Trust Deed which, in the opinion of the Trustee, is of a formal, minor or technical nature or is made to correct a manifest error. Any such modification, waiver or authorisation shall be binding on the Noteholders, Receiptholders and Couponholders and any such modification shall (unless the Trustee agrees otherwise) be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

The Issuer and/or the Guarantor shall not amend or modify the subordination provisions of the Dated Subordinated Notes or the Senior Subordinated Guarantee if such amendment or modification would adversely affect the rights of holders of obligations of the Issuer or the Guarantor which would rank senior to the Dated Subordinated Notes or the Senior Subordinated Guarantee upon the occurrence of a BTMUH Subordination Event or a BTMU Subordination Event or the rights of holders of the Dated Subordinated Notes or Receipts of Coupons appertaining thereto to receive payments under the Dated Subordinated Notes or the Senior Subordinated Guarantee.

The Issuer or the Guarantor shall not amend or modify the subordination provisions of the Undated Subordinated Notes or the Junior Subordinated Guarantee if such amendment or modification would adversely affect the rights of holders of obligations of the Issuer or the Guarantor which would rank senior to the Undated Subordinated Notes or the Junior Subordinated Guarantee upon the occurrence of a BTMUH Subordination Event or a BTMU Subordination Event or the rights of holders of the Undated Subordinated Notes or Receipts or Coupons appertaining thereto to receive payments under the Undated Subordinated Notes or the Junior Subordinated Guarantee.

In connection with the exercise of its powers, trusts, authorities or discretions (including but not limited to those in relation to any proposed modifications, waiver, authorisation or determination as aforesaid), the Trustee shall have regard to the interests of the Noteholders as a class and in particular, but without prejudice to the generality of the foregoing, shall not have regard to the consequence of such exercise for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory.

15 Further Issues

The Issuer and the Guarantor shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes or upon such terms as to interest, redemption and otherwise as the Issuer and the Guarantor may determine at the time of their issue. Any further Notes forming a single Series with the outstanding Notes constituted by the Trust Deed or any deed supplemental to it shall, and any other notes may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of notes of other series in certain circumstances where the Trustee so decides.

16 The Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from any obligation to take proceedings to enforce repayment of the Notes or payment under the Unsubordinated Guarantee, the Senior Subordinated Guarantee or the Junior Subordinated Guarantee unless indemnified to its satisfaction. In addition, the Trustee may, if it so decides, refrain from taking any such action in the absence of instructions from Noteholders. The Trustee will be entitled to enter into business transactions with BTMUH or BTMU or any Subsidiary (as defined in the Trust Deed) without accounting to the Noteholders, Receiptholders or Couponholders for profit resulting therefrom.

17 Provision of Information

For so long as any Notes remain outstanding and are “restricted securities” (as defined in Rule 144 (a) (3) under the Securities Act), each Issuer shall, during any period in which it is neither subject to Section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, make available to any Holder of, or beneficial owner of an interest in, such Notes in connection with any resale thereof and to any prospective purchaser designated by such Holder or beneficial owner, in each case upon request, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.

18 Governing Law

The Notes, the Receipts, the Coupons, the Talons and the Trust Deed and all matters arising from or connected with the Notes, the Receipts, the Coupons, the Talons and the Trust Deed and any non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with the laws of England except that the subordination provisions (including the subordination provisions which relate to the guarantees) contained in Condition 2, and in Clauses 5, 8.9 and 8.10 of the Trust Deed, shall be governed by and construed in accordance with the laws of Curaçao (with respect to the obligations of BTMUH) and the laws of Japan (with respect to the obligations of BTMU). The Issuer and the Guarantor have in the Trust Deed agreed that the courts of England shall have exclusive jurisdiction to settle any dispute (a “Dispute”) arising from or connected with the Trust Deed, the Notes, the Receipts, the Coupons and the Talons (including a dispute regarding the existence, validity or termination of the Trust Deed, the Notes, the Receipts, the Coupons and the Talons or the consequences of their nullity) and agreed that the courts of England are the most appropriate and convenient courts to settle any Dispute, and accordingly, that they will not argue to the contrary. These submissions are for the benefit of each of the Trustee, the Noteholders, Receiptholders, Couponholders and Talonholders and shall not prevent any of them from taking proceedings relating to a Dispute (“Proceedings”) in any other courts with jurisdiction. To the extent allowed by law, the Trustee or any of the Noteholders, Receiptholders, Couponholders and Talonholders may take concurrent Proceedings in any number of jurisdictions. The Issuer and the Guarantor have irrevocably appointed Mitsubishi UFJ Securities International plc at Ropemaker Place, 25 Ropemaker Street, London EC2Y 9AJ or such other person as may be appointed in accordance with the terms of the Trust Deed as its agent for service of process in England.

FORM OF THE NOTES

The Notes of each Tranche will be either in bearer form and/or in registered form.

Unless otherwise provided with respect to a particular Series of Registered Notes, the Registered Notes of each Tranche of such Series offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will be represented by a Reg. S Global Note which will be deposited with a custodian for, and registered in the name of a nominee of, a common depositary for Euroclear and Clearstream, Luxembourg for the accounts of their respective participants. Prior to expiry of the Distribution Compliance Period applicable to each Tranche of Notes, beneficial interests in a Reg. S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person (as defined in Regulation S) save as otherwise provided in Condition 10 and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Reg. S Global Note will bear a legend regarding such restrictions on transfer.

Registered Notes of each Tranche of a particular Series may only be offered and sold in the United States or to U.S. persons in private transactions: (i) to QIBs; or (ii) to Institutional Accredited Investors and who execute and deliver a letter in which they agree to purchase the Notes for their own account and not with a view to the distribution thereof. The Registered Notes of each Tranche sold to QIBs in reliance on Rule 144A will be represented by a Restricted Global Note which will be deposited with a custodian for, and registered in the name of a nominee of, DTC.

Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, in the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

The Registered Notes of each Tranche sold to, or subsequently purchased by, Institutional Accredited Investors will be in definitive form, registered in the name of the holder thereof. Restricted Global Notes and Registered Notes in definitive form issued to Institutional Accredited Investors will be issued in minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof (or the approximate equivalents in any other currency) or the higher denomination or denominations specified in the applicable Final Terms and will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions. Institutional Accredited Investors that hold Registered Notes in definitive form may not elect to hold such Notes through DTC, Euroclear or Clearstream, Luxembourg, but transferees acquiring the Notes in transactions exempt from Securities Act registration pursuant to Regulation S or Rule 144A (if available) may do so upon satisfaction of the requirements applicable to such transfer as described under "Subscription and Sale and Transfer and Selling Restrictions". Registered Notes will not be exchangeable for Bearer Notes.

Registered Notes in definitive form may also be sold outside the United States in reliance on Regulation S.

Payments of the principal of, and interest (if any) on, the Registered Global Notes will be made to the nominee of DTC and/or of Euroclear and/or Clearstream, Luxembourg, as the registered holders of the Registered Global Notes. None of BTMUH, BTMU, the Agent, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal on the Registered Notes will be made to the persons shown on the Register at the close of business on the business day immediately prior to the relevant payment date. Payments of interest on the Registered Notes will be made on the relevant payment date to the person in whose name such Notes are registered on the Record Date (as defined in Condition 5(b)) immediately preceding such payment date.

Each Tranche of Notes in bearer form will be initially represented by a Temporary Bearer Global Note, without receipts, interest coupons or talons, which will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Upon such deposit of a Temporary Bearer Global Note, Euroclear or Clearstream, Luxembourg will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a global Note must look solely to Euroclear or Clearstream,

Luxembourg (as the case may be) for its share of each payment made by the relevant Issuer or the Guarantor (where BTMUH is the Issuer) to the bearer of such global Note and in relation to all other rights arising under the global Notes, subject to and in accordance with the respective rules and procedures of Euroclear and Clearstream, Luxembourg. Such persons shall have no claim directly against the relevant Issuer or the Guarantor (where BTMUH is the Issuer) in respect of payments due on the Notes for so long as the Notes are represented by such global Note and such obligations of the relevant Issuer and the Guarantor (where BTMUH is the Issuer) will be discharged by payment to the bearer of such global Note in respect of each amount so paid. Any reference in this section to Euroclear and/or Clearstream, Luxembourg shall, whenever the context permits, be deemed to include a reference to any additional or alternative clearance system approved by the relevant Issuer, the Guarantor (where BTMUH is the Issuer), the relevant Dealer and the Agent.

The Temporary Bearer Global Notes and the Permanent Bearer Global Notes contain provisions which apply to the Notes while they are in global form, some of which modify the effect of the Terms and Conditions of the Notes as described herein. The following is a summary of certain of those provisions:

1 Exchange

On and after the date (the “Exchange Date”) which is 40 days after the later of (i) the date on which the Temporary Bearer Global Note is issued and (ii) the completion of the distribution (as determined by the Agent) of the Tranche represented by such Temporary Bearer Global Note, interests in the Temporary Bearer Global Note will be exchangeable (free of charge), upon request as described therein, for interests in a Permanent Bearer Global Note (without receipts, interest coupons or talons) against certification of beneficial ownership as described herein unless such certification has already been given. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless exchange of the Temporary Bearer Global Note is improperly withheld or refused. Pursuant to the Agency Agreement the Agent shall arrange that, where a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned a common code and ISIN by Euroclear and Clearstream, Luxembourg which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least 40 days as notified by the Agent to the relevant Dealer after the completion of the distribution of the Notes of such Tranche.

If so specified in the applicable Final Terms, a Permanent Bearer Global Note will be exchangeable (free of charge) in whole for security printed definitive Notes with, where applicable, receipts, interest coupons and talons attached if (a) an Event of Default occurs in respect of any Note of the relevant Series; or (b) Euroclear Bank S.A./N.V. or Clearstream Banking, société anonyme, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention to cease business permanently or in fact does so. Global Notes and definitive Notes will be issued pursuant to the Trust Deed and the Agency Agreement. At the date hereof, neither Euroclear nor Clearstream, Luxembourg regards Notes in global form as fungible with Notes in definitive form.

In the event that a Permanent Global Note is exchanged for definitive Bearer Notes, such definitive Bearer Notes shall be issued in Specified Denomination(s) only. Noteholders who hold Notes in the relevant clearing system in amounts that are not integral multiples of a Specified Denomination may need to purchase or sell, on or before the relevant Exchange Date, a principal amount of Notes such that their holding is an integral multiple of a Specified Denomination.

The following legend will appear on all bearer global Notes, definitive Bearer Notes, receipts, interest coupons and talons:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code of 1986.”

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

2 Payments

Whilst any Note is represented by a Temporary Bearer Global Note, payments of principal and interest (if any) due prior to the Exchange Date will be made against presentation of the Temporary Bearer Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent.

Payments of principal and interest (if any) on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) of the permanent global Note without any requirement for certification.

3 Prescription

Claims in respect of principal and interest in respect of Notes which are represented by a Permanent Bearer Global Note will become void unless it is presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 7).

4 Meetings

The holder of a Permanent Bearer Global Note shall (unless the permanent global Note represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each Unit (as defined in the Trust Deed) for which such permanent global Note may be exchanged.

5 Purchase and Cancellation

Cancellation of any Note surrendered for cancellation following its purchase will be effected by reduction in the principal amount of the relevant global Note.

6 Notices

Notices in respect of Notes represented by a global Note need not be published in accordance with Condition 13 but may be given by delivery of copies of such notices (where the global Note is held by a common depository for Euroclear and Clearstream, Luxembourg) to Euroclear and Clearstream, Luxembourg for communication by them to entitled accountholders. Any such notice shall be deemed to have been given to the holders of the Notes on the third day after the day on which the notice was given to Euroclear and Clearstream, Luxembourg.

Notices to be given by the holder of any Note represented by a global Note may be given to the Agent via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Trustee, the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

7 Issuer's Option

In the case of a partial redemption of Notes pursuant to Condition 6(c), while the Notes which are outstanding are represented by a Permanent Bearer Global Note the Notes to be redeemed will not be selected by lot but will be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "Selection Date"). No exchange of the Permanent Bearer Global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to Condition 6(c) and notice to that effect shall be given by the relevant Issuer to the Noteholders at least 5 days prior to the Selection Date.

USE OF PROCEEDS

The net proceeds from each issue of Notes by BTMU and BTMUH will be made available to BTMU which will utilise such proceeds for its general corporate purposes.

FORM OF FINAL TERMS

Final Terms dated [●]

[BTMU (Curaçao) Holdings N.V./The Bank of Tokyo-Mitsubishi UFJ, Ltd.]
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
[Guaranteed by The Bank of Tokyo-Mitsubishi UFJ, Ltd.]
under the
U.S.\$15,000,000,000 Medium Term Note Programme

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated [●] [and the supplemental Prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. [The Prospectus [and the supplemental Prospectus] [is] [are] available for viewing [at [website]] [and] during normal business hours at [address] [and copies may be obtained from [address]].]

[To be inserted where BTMU is the Issuer:] **The Notes described herein do not comprise Taxable Linked Notes (as defined below).** “Taxable Linked Notes” means Notes on which interest is calculated based on the amount of profit, sales or revenue or other similar basis (as provided in the Cabinet Order (as defined in the Conditions)) of BTMU or a Specially-Related Party of BTMU (as defined in the Conditions).]

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

[When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]

- | | | |
|---|--|---|
| 1 | [(i)] Issuer: | [BTMU (Curaçao) Holdings N.V./The Bank of Tokyo-Mitsubishi UFJ, Ltd.] |
| | [(ii)] Guarantor: | The Bank of Tokyo-Mitsubishi UFJ, Ltd.] |
| 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 of Notes: | |
| | [(i)] Series: | [●] |
| | [(ii)] Tranche: | [●] |

5	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]
6	(i) Specified Denominations:	[●]
	(ii) Calculation Amount:	[●]
7	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	[●]
8	Maturity Date:	<p>[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]</p> <p>[If the Maturity Date is less than one year from the Issue Date and either (a) the issue proceeds are received by BTMUH in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by BTMUH in the United Kingdom, (i) the Notes must have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to “professional investors” or (ii) another applicable exemption from Section 19 of the FSMA must be available.]</p>
9	Interest Basis:	<p>[[●] per cent. Fixed Rate]</p> <p>[[specify reference rate] +/- [●] per cent. Floating Rate]</p> <p>[Zero Coupon]</p> <p>[Indexed Interest]</p> <p>[Other (specify)]</p> <p>(further particulars specified below)</p>
10	Redemption/Payment Basis:	<p>[Redemption at par]</p> <p>[Indexed Redemption]</p> <p>[Dual Currency]</p> <p>[Partly Paid]</p> <p>[Instalment]</p> <p>[Other (specify)]</p> <p>(N.B. If the Final Redemption Amount is other than 100% of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No.809/2004 will apply and the Issuer will prepare and publish a new Prospectus in respect of such drawdown.)</p>
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:	<p>[Investor Put]</p> <p>[Issuer Call]</p> <p>[(further particulars specified below)]</p>
13	[(i)] Status of the Notes:	[Unsubordinated Notes/Dated Subordinated Notes/ Undated Subordinated Notes]
	[(ii)] Status of the Guarantee:	[Unsubordinated Guarantee/Senior Subordinated Guarantee/Junior Subordinated Guarantee]

-
- [(iii)] [Date [Board] approval for issuance of Notes [and Guarantee] obtained: [and , respectively] *(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee)*
- 14 Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 15 **Fixed Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Fixed Rate[(s)] of Interest: per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (*specify*)] in arrear]
- (ii) Fixed Interest 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 Interest Amount[(s)]: per Calculation Amount
- (iv) Broken Amount(s): per Calculation Amount payable on the Fixed Interest Date falling [in/on] [*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Interest Amount[(s)]*]
- (v) Day Count Fraction: [Actual/Actual (ICMA) or 30E/360 (or "Eurobond Basis") or *specify other*]
- (vi) Interest Period: [As specified in Condition 4(a)(iii)/*give details*]
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]
- 16 **Floating Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph).
- (i) Interest Period(s):
- (ii) 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:	<input type="checkbox"/>
	– Interest Determination Date(s):	<input type="checkbox"/>
	– Relevant Screen Page:	<input type="checkbox"/>
(viii)	ISDA Determination:	
	– Floating Rate Option:	<input type="checkbox"/>
	– Designated Maturity:	<input type="checkbox"/>
	– Reset Date:	<input type="checkbox"/>
(ix)	Margin(s):	[+/-][<input type="checkbox"/>] per cent. per annum
(x)	Minimum Rate of Interest:	<input type="checkbox"/> per cent. per annum
(xi)	Maximum Rate of Interest:	<input type="checkbox"/> per cent. per annum
(xii)	Day Count Fraction:	[Condition 4(b)(vi) applies or <i>specify other</i>]
(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:	<input type="checkbox"/>
17	Zero Coupon Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) [Amortisation/Accrual] Yield:	<input type="checkbox"/> per cent. per annum
	(ii) Reference Price:	<input type="checkbox"/>
	(iii) Any other formula/basis of determining amount payable:	<input type="checkbox"/>
	(iv) Day Count Fraction:	[Conditions 6(e) and 6(j) apply or <i>specify other</i>]
18	Indexed Interest Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Index/Formula:	<i>[give or annex details]</i>
	(ii) Calculation Agent responsible for calculating the interest due:	<input type="checkbox"/>
	<i>[specify, including determination dates]</i>	(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula:
	(iv) Determination Date(s):	<input type="checkbox"/>
	(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:	<input type="checkbox"/>

(vi)	Interest Period(s):	[●]
(vii)	Specified Period(s)/Specified Interest Payment Dates:	[●]
(viii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other <i>(give details)</i>]
(ix)	Additional Business Centre(s):	[●]
(x)	Minimum Rate/Amount of Interest:	[●] per cent. per annum/[●] per Calculation Amount
(xi)	Maximum Rate/Amount of Interest:	[●] per cent. per annum/[●] per Calculation Amount
(xii)	Day Count Fraction:	[●]
19	Dual Currency Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub paragraphs of this paragraph)</i>
(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:	[●]
(v)	Day Count Fraction:	[●]
PROVISIONS RELATING TO REDEMPTION		
20	Call Option	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub paragraphs of this paragraph)</i>
(i)	Optional Redemption Date(s):	[●]
(ii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
(iii)	If redeemable in part:	
(a)	Minimum Redemption Amount:	[●] per Calculation Amount
(b)	Maximum Redemption Amount:	[●] per Calculation Amount
(iv)	Notice period (if other than as set out in the Conditions):	[●]
21	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) and method, if any, of calculation of such amount(s): [●] per Calculation Amount
- (iii) Notice period (if other than as set out in the Conditions): [●]

22 **Final Redemption Amount**

[[●] per Calculation Amount/other/see Appendix]
(Note: If the Final Redemption Amount is linked to an underlying reference or security, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply, and the Issuer will prepare and publish a supplement to the Prospectus which shall constitute a supplementary prospectus pursuant to Prospectus Rule 3.4 of the UK Financial Services Authority and Section 87G of the FSMA.)

In cases where Final Redemption Amount is Index-Linked:

- (i) Index/Formula/Variable [give or annex details]
- (ii) Calculation Agent responsible for calculating the Final Redemption Amount: [●]
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or variable: [●]
- (iv) Determination Date(s): [●]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or variable is impossible or impracticable or otherwise disrupted: [●]
- (vi) Payment Date: [●]
- (vii) Minimum Final Redemption Amount [●] per Calculation Amount
- (viii) Maximum Final Redemption Amount [●] per Calculation Amount

23 **Early Redemption Amount**

Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): [●]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 24 **Form of Notes** [Bearer/Registered]
- [Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for definitive Bearer Notes in the limited circumstances specified in the Permanent Bearer Global Note.]
- [Permanent Bearer Global Note exchangeable for definitive Bearer Notes in the limited circumstances specified in the Permanent Bearer Global Note.]
- [In the case of Registered Notes that are 144A Notes and/or Reg. S Notes whether the Notes are to be represented on issue by a Restricted Global Notes and/or Reg. S Global Note or by definitive Registered Notes:] [Restricted Global Note and/or Reg. S Global Note (exchangeable into definitive Registered Notes if requested by the holder upon not less than [●] days' notice or in the limited circumstances described in the Prospectus) or definitive Registered Notes] [*Consider whether, as currently provided in Condition 10(c), it is desirable to have definitives available at the option of the holder. If it is not, specify this in the Final Terms*]
- 25 New Global Note: No
- 26 Special provisions relating to Payment Dates: [Not Applicable/*give details*]
- 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, renominalisation and reconventioning provisions: [Not Applicable/The provisions annexed to this Final Terms] apply]
- 31 Consolidation provisions: [Not Applicable/The provisions annexed to this Final Terms] apply]
- 32 Other final terms or special conditions: [Not Applicable/*give details*]
(When adding any other final terms consideration should be given as to whether such terms constitute a "significant new factor" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)

DISTRIBUTION

- 33 (i) If syndicated, names of Managers: [Not Applicable/*give names*]

(ii)	Stabilising Manager(s) (if any):	[Not Applicable/ <i>give name</i>]
34	If non-syndicated, name of Dealer:	[Not Applicable/ <i>give name</i>]
35	U.S. Selling Restrictions:	[Reg. S Compliance Category; TEFRA C/ TEFRA D/ TEFRA not applicable]
36	Additional selling restrictions:	[Not Applicable/ <i>give details</i>]

[PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange's EEA Regulated Market of the Notes described herein pursuant to the U.S.\$15,000,000,000 Medium Term Note Programme of BTMU (Curaçao) Holdings N.V. and The Bank of Tokyo-Mitsubishi UFJ, Ltd.]

RESPONSIBILITY

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. [[*Specify relevant third party information*] has been extracted from [*specify source*]. [Each of the] [The] Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:
 [BTMU (Curaçao) Holdings N.V./The Bank of Tokyo-Mitsubishi UFJ, Ltd.]
 Duly authorised

[Signed on behalf of the Guarantor:

By:
 The Bank of Tokyo-Mitsubishi UFJ, Ltd.
 Duly authorised]

PART B - OTHER INFORMATION

1. LISTING

- (i) Listing: [London/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [●] with effect from [●].] [Not Applicable.] [*where documenting a fungible issue, need to indicate that original notes are already admitted to trading.*]
- (iii) Estimate of total expenses related to admission to trading: [●]

2. RATINGS

Ratings: The Notes to be issued have been rated:
[S&P: [●]]
[Moody's: [●]]
[JCR: [●]]
[Other: [●]]
(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

[If the Notes are being admitted to trading on the Regulated Market of the London Stock Exchange and if the rating agent is EU-established: [Name of rating agent] is established in the European Union [and is registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16th September, 2009 on credit rating agencies (the "CRA Regulation") / and has applied for registration under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16th September, 2009 on credit rating agencies (the "CRA Regulation"), although notification of the corresponding registration decision has not yet been provided / but is not registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16th September, 2009 on credit rating agencies (the "CRA Regulation").]

[If the Notes are being admitted to trading on the Regulated Market of the London Stock Exchange and if the rating agent is not EU-established: [Name of rating agent] is not established in the European Union and is not registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16th September, 2009 on credit rating agencies (the "CRA Regulation") [but such rating been endorsed by (and for the purposes of that Regulation is deemed to be issued by) [full name of legal entity] which is an entity established in the European Union and registered under that Regulation / but is certified in accordance with the CRA Regulation / and has applied for certification in accordance with the CRA

Regulation although notification of the corresponding certification decision has not yet been provided].]

[Under the CRA Regulation, certain investors may generally only use a credit rating for regulatory purposes in the European Union if the credit rating is issued by a credit rating agency in the European Union and registered in accordance with the CRA Regulation (or is endorsed and published or distributed by subscription by such a credit rating agency in accordance with the CRA Regulation), unless the credit rating is issued by a credit rating agency operating in the European Union before 7th June, 2010 which has submitted an application for registration under the CRA Regulation that has not been refused. Investors who wish to use a credit rating for regulatory purposes in the European Union should consider whether a credit rating assigned to an issue of Notes may be used for this purpose.]

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

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in [“Subscription and Sale and Transfer Restrictions”], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”]

[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

4. [Fixed Rate Notes only - YIELD

Indication of yield:

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

5. [Indexed or other variable-linked Notes only - PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained. Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]

6. [Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained.]

7. OPERATIONAL INFORMATION

(i) ISIN Code:

(ii) Common Code:

-
- (iii) CUSIP:
- (iv) CINS:
- (v) Any clearing system (s) other than Euroclear Bank S.A./N.V. and Clearstream Banking société anonyme and DTC and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]
- (vi) Delivery: Delivery [against/free of] payment
- (vii) Names and addresses of initial Paying Agent(s):
- (viii) Names and addresses of additional Paying Agent(s) (if any):

BTMU (CURAÇAO) HOLDINGS N.V.

BTMU (Curaçao) Holdings N.V. (“BTMUH”) is a limited liability company (*naamloze vennootschap*) having its corporate seat (*zetel*) in Curaçao. BTMUH was incorporated in Curaçao on 3rd May, 1972 for an unlimited duration under the then applicable Commercial Code of the Netherlands Antilles (as then in effect) and currently existing under the laws of Curaçao, a former island territory of the Netherlands Antilles which under a constitutional reform of the Kingdom of the Netherlands effective 10th October, 2010 became an autonomous country within the Kingdom of the Netherlands. On 1st April, 1996, it changed its registered name from Bank of Tokyo (Curaçao) Holding N.V. to BTM (Curaçao) Holdings N.V. on the occasion of the merger of its parent bank, The Bank of Tokyo, Ltd. (“Bank of Tokyo”), with The Mitsubishi Bank, Limited (“Mitsubishi Bank”) to form The Bank of Tokyo-Mitsubishi, Ltd. (“BTM”). On 2nd January, 2006, it changed its registered name from BTM (Curaçao) Holdings N.V. to BTMU (Curaçao) Holdings N.V. on the occasion of the merger of its parent bank, BTM, with UFJ Bank Limited (“UFJ Bank”) to form The Bank of Tokyo-Mitsubishi UFJ, Ltd. BTMUH is a legal entity with one or more shares, each with a nominal value of U.S.\$1,000, and 1,664 shares are currently fully paid and wholly owned by BTMU. BTMUH has no subsidiaries or affiliates. BTMUH is registered at the commercial register of the Curaçao Chamber of Commerce & Industry with registration number 6047, and its registered and principal business office is at Berg Arrarat 1, Willemstad, Curaçao, and its telephone number is +599-9-4639-200.

BTMUH is reliant on BTMU for establishing policy for the Group (including BTMUH), management direction and strategy.

The members of the Board of Directors of BTMUH, in taking any decisions in their capacity as member of the board, do so after taking into account the best interests of BTMUH and their responsibilities as directors. BTMUH is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of BTMUH.

Principal Activities

BTMUH was formed to assist in financing the operations of the Guarantor and companies directly or indirectly controlled by it. BTMUH’s purposes, as stated in its Articles of Incorporation, extend generally to the purchase, holding and sales of securities and interests, the borrowing and raising of money and the lending of money to the Guarantor and companies directly or indirectly controlled by it.

Summary Financial Information

The following tables set out selected audited financial information of BTMUH as at and for the years ended 31st December, 2009 and 2010:

	<i>As at/Year ended 31st December,</i>	
	<u>2009</u>	<u>2010</u>
	<i>(in millions of yen)</i>	
Balance Sheet Data		
Loans to parent	1,082,107	723,115
Total assets	1,105,495	742,760
Guaranteed notes, net	1,085,390	729,342
Total liabilities	1,096,730	736,380
Total stockholder’s equity	8,765	6,380
Statement of Income Data		
Net interest income	544	450
Non-hedge and ineffectiveness hedging	(2,732)	(2,415)
Total interest income	(2,188)	(1,965)
Guarantee fee, paying agent commission	(163)	(131)
Curaçao profit tax	(10)	(9)
Total expenses	(242)	(175)
Other income (loss)	282	(246)
Net profit (loss) for the period	(2,148)	(2,385)

Recent Business

BTMUH continues to act as one of principal financing vehicles of BTMU.

BTMUH issues dated subordinated notes, undated subordinated notes as well as senior notes mainly to finance the operations of the Guarantor.

(For the recent business and developments of the Guarantor, see pages 85 to 88.)

Management

BTMUH is managed by a Board of Managing Directors consisting of Osamu Muramoto, Yasuhiro Nakashima and Intertrust (Curaçao) B.V. The Managing Directors of Intertrust (Curaçao) B.V. are David de Buck and Gosse de Vries. Intertrust (Curaçao) B.V. is a Curaçao trust service provider. The business address of all of the directors above is Berg Arrarat 1, Willemstad, Curaçao.

The principal activities performed by Osamu Muramoto and Yasuhiro Nakashima outside BTMUH are acting as General Manager and Chief Manager of Syndicated Finance Division of BTMU, respectively. Intertrust (Curaçao) B.V. is a managing director of a large number of Curaçao companies.

There are no potential conflicts of interest between the duties to BTMUH of its directors or those of Intertrust (Curaçao) B.V. listed above and their private interests or other duties.

Material Contracts

BTMUH has not entered into material contracts which are not in the ordinary course of its business, which could result in BTMUH being under an obligation or entitlement that is material to BTMUH's ability to meet its obligation to Noteholders.

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.

Introduction

The Bank of Tokyo-Mitsubishi UFJ, Ltd. (“BTMU”, and together with its consolidated subsidiaries, the “Group”) is a major commercial banking organisation in Japan and provides a broad range of domestic and international banking services from its offices in Japan and around the world. BTMU is a “city” bank, as opposed to a regional bank. BTMU’s registered head office is located at 7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-8388, Japan, and its telephone number is 81-3-3240-1111. BTMU is a joint stock company (*kabushiki kaisha*) incorporated in Japan on 15th August, 1919 for an indefinite duration under the Company Law of Japan (Law No. 86 of 2005, also known as the “Corporation Act”).

History

BTMU was formed through the merger, on 1st January, 2006, of BTM and UFJ Bank, after their respective parent companies, Mitsubishi Tokyo Financial Group, Inc. (“MTFG”) and UFJ Holdings, Inc. (“UFJ Holdings”) had merged to form Mitsubishi UFJ Financial Group, Inc. (“MUFG”) on 1st October, 2005. BTMU is a wholly-owned subsidiary of MUFG.

BTM was formed through the merger, on 1st April, 1996, of The Mitsubishi Bank, Limited and The Bank of Tokyo, Ltd.

The origins of Mitsubishi Bank can be traced to the Mitsubishi Exchange Office, a money exchange house established in 1880 by Yataro Iwasaki, the founder of the Mitsubishi industrial, commercial and financial group. In 1895, the Mitsubishi Exchange Office was succeeded by the Banking Division of the Mitsubishi Goshi Kaisha, the holding company of the “Mitsubishi group” of companies. Mitsubishi Bank had been a principal bank to many of the Mitsubishi group companies, but broadened its relationships to cover a wide range of Japanese industries, small and medium-sized companies and individuals.

Bank of Tokyo was established in 1946 as a successor to The Yokohama Specie Bank, Ltd., a special foreign exchange bank established in 1880. When the government of Japan promulgated the Foreign Exchange Bank Law in 1954, Bank of Tokyo became the only bank licensed under that law. Because of its license, Bank of Tokyo received special consideration from the Ministry of Finance in establishing its offices abroad and in many other aspects relating to foreign exchange and international finance.

UFJ Bank was formed through the merger, on 15th January, 2002, of The Sanwa Bank, Limited (“Sanwa Bank”) and The Tokai Bank, Limited (“Tokai Bank”).

Sanwa Bank was established in 1933 when the three Osaka-based banks, the Konoike Bank, the Yamaguchi Bank, and the Sanjyushi Bank merged. Sanwa Bank was known as a city bank having the longest history in Japan, since the foundation of Konoike Bank can be traced back to the Konoike Exchange Office established in 1656. The origin of Yamaguchi Bank was also a money exchange house, established in 1863. Sanjyushi Bank was founded by influential fiber wholesalers in 1878. The corporate philosophy of Sanwa Bank had been the creation of the premier banking services especially for small and medium-sized companies and individuals.

Tokai Bank was established in 1941 when three Nagoya-based banks, the Aichi Bank, the Ito Bank, and the Nagoya Bank merged. In 1896, Aichi Bank took over businesses of the Jyuichi Bank established by wholesalers in 1877 and the Hyakusanjyushi Bank established in 1878. Ito Bank and Nagoya Bank were established in 1881 and 1882, respectively. Tokai Bank had expanded the commercial banking business to contribute to economic growth mainly of the Chubu area in Japan, which is known for the manufacturing industry, especially automobiles.

Business

BTMU is a major Japanese commercial banking organisation, and provides a broad range of domestic and international banking services in Japan and around the world. BTMU organises its operations based on customer and product segmentation, as follows:

- *Retail Banking.* The Retail Banking Business Unit offers a full range of banking products and services, including financial consulting services to individual customers in Japan through BTMU's branch offices and other direct distribution channels. The products and services offered include deposits, investment trusts, insurance, financial products intermediation services, loans and credit cards.
- *Corporate Banking.* The Corporate Banking Business Unit provides diverse financial products and services to BTMU's corporate clients, from large corporations to medium-sized and small businesses, and is responsible for customer relationships. The unit has clarified strategic domains, sales channels and methods to match the different growth stages and financial needs of BTMU's corporate customers.
 - *Commercial Banking.* This unit provides various financial solutions, such as loans and fund management, remittance and foreign exchange services, to meet the requirements of SME customers. It also helps BTMU's customers develop business strategies, such as inheritance-related business transfers and stock listings.
 - *Corporate and Investment Banking.* This unit offers advanced financial solutions mainly to large corporations through corporate and investment banking services. Product specialists globally provide derivatives, securitisation, syndicated loans, structured finance and other services globally.
 - *Transaction Banking.* This unit provides online banking services that allow customers to make domestic and overseas remittances electronically. It also provides a global cash pooling/netting service, and the "Treasury Station", a fund management system for a multi-company group. These services are designed particularly for customers who have global business activities.
- *Global Business.* The Global Business Unit primarily serves large corporations, financial institutions, and sovereign and multinational organisations with a comprehensive set of solutions for their financing needs through operations that are predominantly located in the world's primary financial centres, including Tokyo, New York, London, Singapore and Hong Kong. Through its global reach, the unit provides a full range of services, including commercial banking services such as loans, deposits and cash management services, corporate banking services such as providing credit commitments and arranging the issuance of asset-backed commercial paper, and investment banking services to help clients develop financial strategies. To meet clients' expectations for their various financing needs, the unit establishes a client-oriented coverage business model and coordinates its product experts who can offer innovative finance services all around the world. In the United States, BTMU's subsidiary, Union Bank, N.A. ("Union Bank"), which is one of the largest commercial banks in California by both total assets and total deposits, provides a wide range of financial services to consumers, small businesses, middle market companies and major corporations, primarily in California, Oregon, and Washington, as well as nationally and internationally.
- *Global Markets.* The Global Markets Unit consists of the treasury operations of BTMU. It also conducts asset liability management and liquidity management and provides various financial operations such as money markets, foreign exchange operations and securities investments.
- *Other.* Other business units within BTMU provide operations and settlement services to its other business units. The unit also earns fee income by providing settlement and remittance services, including correspondent banking services, to its customers, and yen custody services to international

institutional investors. In addition, the unit also offers competitive operations and settlement services to other financial institutions to meet their outsourcing needs.

- *Corporate Centre.* The Corporate Centre retains functions such as BTMU’s strategic planning, overall risk management, internal auditing and compliance.

BTMU offers products and services through a wide range of channels, including branches, ATMs (including convenience store ATMs shared by multiple banks), Mitsubishi-Tokyo UFJ Direct (telephone, internet and mobile phone banking), the “Video Counter” and postal mail. Furthermore, BTMU currently shares its ATM network with eight Japanese local banks, AEON Bank, Ltd. and the banks belonging to the Japan Agricultural Cooperatives bank group.

BTMU is a wholly-owned subsidiary of MUFG. The members of the Board of Directors of BTMU, in taking any decisions in their capacity as member of the board, do so after taking into account the best interests of BTMU and their responsibilities as directors. BTMU is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of BTMU.

Selected Financial Data

The selected consolidated financial data for the two years ended 31st March, 2011 set forth below have been derived from BTMU's audited consolidated financial statements prepared under Japanese GAAP.

	<i>As at/Year ended 31st March,</i>	
	2010	2011
<i>(in millions of yen, except per share data and ratios)</i>		
Balance Sheet Data		
Securities	¥ 52,565,731	¥ 58,457,111
Loans and bills discounted	74,892,593	70,171,754
Total assets	165,095,177	163,123,183
Deposits	111,605,569	112,139,455
Total liabilities	155,794,605	154,215,738
Common stock	1,586,958	1,586,958
Capital surplus	3,878,275	3,878,275
Total equity	9,300,572	8,907,445
Statements of Operations Data		
Interest income	2,151,556	1,914,356
Fees and commissions income	655,449	638,253
Trading income	117,950	116,206
Total income	3,642,943	3,271,292
Interest expenses ⁽¹⁾	505,491	368,572
Fees and commissions expenses	121,555	126,788
Trading expenses	-	2,002
Total expenses	3,086,828	2,410,285
Total income taxes	131,797	77,882
Minority interest in net income	61,430	63,328
Net income (loss)	362,886	719,795
Per share data⁽²⁾		
Total equity per share (yen)	574.78	579.24
Net income (loss) per share (yen)	30.16	56.78
Diluted net income per share (yen)	30.16	— ⁽³⁾
Consolidated risk-adjusted capital data (under uniform international standards)		
Total Tier 1 capital	8,349,499	8,284,107
Of which, preferred equity investment certificates with step-up coupon clauses ⁽⁴⁾	964,193	755,371
Total Tier 2 capital	3,901,318	3,483,542
Of which, included as qualifying capital	3,901,318	3,483,542
Deductions ⁽⁵⁾	285,732	297,945
Total qualifying capital	11,965,085	11,469,703
Total risk-adjusted assets.. .. .	76,976,561	72,485,552
Consolidated risk adjusted capital ratio (under uniform international standards) ⁽⁶⁾ (per cent.)	15.54%	15.82%
Tier 1 capital ratio	10.84%	11.42%

Notes:

- (1) Interest expenses are stated excluding expenses related to money held in trust.
- (2) The basis of calculation of per share data is described in "Per share information" in the Notes to the Consolidated Financial Statements of BTMU incorporated by reference herein.
- (3) Diluted net income per share for the year ended 31st March, was not recorded since the potential shares do not have dilutive effect.
- (4) These are the assets specified by Article 5, Paragraph 2 of the Standards to Determine the Adequacy of its Capital Base in Light of the Assets Held by the Bank (Financial Services Agency Notification No. 19, 2006, hereinafter referred to as the "Notification"), that is, the shares (including preferred securities issued by overseas special purpose companies) that have the possibility of redemption (e.g. a special clause such as a step-up coupon, etc. is incorporated).
- (5) These items are specified in Article 8, Paragraph 1, Items 1 to 6 of the Notification. They include the equivalent amount of intentional holding of other financial institutions' capital instruments as specified in Item 1 of the said Article, and the equivalent amount of the investments in the institutions that fall under the category specified in Item 2 of the said Article.
- (6) Risk-adjusted capital ratios have been calculated in accordance with Japanese banking regulations, based on information derived from BTMU's consolidated financial statements prepared in accordance with Japanese GAAP.

Selected operating results data and selected balance sheet data set out above have been derived from the audited consolidated financial statements of BTMU incorporated by reference in the prospectus and included in the BTMU 2011 English Annual Securities Report, and have been prepared in accordance with Japanese GAAP.

Non-performing Loans and Credit Costs

Loans and bills discounted as of 31st March, 2010 and 2011 included the following loans:

	<i>As at 31st March,</i>	
	<u>2010</u>	<u>2011</u>
	<i>(in millions of yen)</i>	
Loans to bankrupt borrowers	¥99,433	¥46,476
Non-accrual delinquent loans	976,028	842,888
Loans past due for three months or more	25,295	138,892
Restructured loans	265,780	428,396
Total	<u>¥1,366,537</u>	<u>¥1,456,653</u>

Loans to bankrupt borrowers are loans, after write-offs, to bankrupt borrowers as defined in Article 96-1-3-1 to 5 or 96-1-4 of the Enforcement Ordinance of the Corporate Tax Law (No. 97 in 1965) of Japan on which accrued interest income is not recognized (“Non-accrual loans”) as there is substantial doubt as to the collection of principal and/or interest because of delinquencies in payment of principal and/or interest for a significant period of time or for some other reasons.

Non-accrual delinquent loans represent non-accrual loans other than loans to bankrupt borrowers and loans renegotiated at concessionary terms, which includes reduction or deferral of interest due to the borrower’s weakened financial condition.

Loans past due for three months or more represent loans whose principal and/or interest payments have been past due for three months or more, excluding loans to bankrupt borrowers and non-accrual delinquent loans.

Restructured loans represent loans renegotiated at concessionary terms, including reduction or deferral of interest or principal and waiver of the claims, due to the borrower’s weakened financial condition, excluding loans to bankrupt borrowers, non-accrual delinquent loans and loans past due for three months or more.

Status of Claims Disclosed under the Financial Reconstruction Act (Non-consolidated)

The figures in this sub-section are stated on a non-consolidated basis.

Claims disclosed under the Financial Reconstruction Act of Japan (the “Financial Reconstruction Act”) increased by ¥122.7 billion as of 31st March, 2011 compared to 31st March, 2010 to ¥1,378.7 billion. The percentage of disclosed claims to total claims rose by 0.27 percentage points as of 31st March, 2011 compared to 31st March, 2010 to 1.86 per cent.

Claims by borrowers’ classification show claims against bankrupt or de facto bankrupt borrowers and doubtful claims fell by ¥55.7 billion and ¥70.1 billion, respectively while claims in need of special attention rose by ¥248.6 billion as of 31st March, 2011 as compared to 31st March, 2010.

With regard to the coverage situation as of 31st March, 2011 for these disclosed claims totalling ¥1,378.7 billion, the covered amount by collaterals, guarantees and others was ¥728.4 billion and allowance for credit losses covered ¥334.7 billion claims, representing a percentage of covered claims to total disclosed claims (coverage ratio) of 77.10 per cent.

BTMU has been addressing non-performing loans and other claims as a management issue of importance. It continues making efforts to reduce these assets through disposals by write-offs and sales or the implementation of turnaround programmes for recoverable borrowers.

Recent Business

Consolidated gross profit for the year ended 31st March, 2011 was ¥2,489.1 billion, an increase of ¥84.0 billion from the previous year, reflecting an improvement of net other ordinary income although net interest income worsened.

Consolidated net business profit (before provision for general allowance for credit losses) for the year ended 31st March, 2011 was ¥1,203.5 billion, an increase of ¥104.3 billion from the previous year, due to a decrease of ¥20.2 billion from the previous year in general and administrative expenses.

Consolidated net income was ¥719.7 billion for the year ended 31st March, 2011, an increase of ¥356.9 billion from the previous year, primarily reflecting a reduction in credit costs.

Credit Costs

Total consolidated credit costs for the year ended 31st March, 2011 decreased by ¥288.2 billion compared to the previous year to ¥218.1 billion.

Write-offs of loans decreased by ¥119.5 billion in the year ended 31st March, 2011 to ¥143.9 billion, provision for specific allowance for credit losses decreased by ¥157.7 billion in the year ended 31st March, 2011 to ¥33.8 billion and other credit costs decreased by ¥22.1 billion in the year ended 31st March, 2011 compared to the previous year, to ¥0.3 billion.

	Year ended 31st March,	
	2010	2011
	<i>(in billions of yen)</i>	
Provision for general allowance for credit losses	¥80.1	¥94.7
Credit costs	477.6	178.2
Of which, write-offs of loans	263.4	143.9
Of which, provision for specific allowance for credit losses	191.6	33.8
Of which, other credit costs	22.4	0.3
Gains on collection of bad debts	(51.3)	(49.5)
Of the extraordinary gains, reversal for contingent losses	–	(5.2)
Total credit costs	<u>¥506.4</u>	<u>¥218.1</u>

Net gains (losses) on equity securities

BTMU posted ¥48.0 billion of losses on equity securities and other securities for the year ended 31st March, 2011, a decrease of ¥47.0 billion from the previous year.

Gains on sales of equity securities and other securities in the year ended 31st March, 2011 decreased by ¥78.2 billion compared to the previous year to ¥52.8 billion, while losses on sales of equity securities and other securities decreased in the year ended 31st March, 2011 by ¥40.2 billion compared to the previous year to ¥46.4 billion. Losses on write-down of equity securities and other securities in the year ended 31st March, 2011 increased by ¥9.0 billion compared to the previous year to ¥54.4 billion.

Results of Operations by Business Division

The following sets out a description of the consolidated results of operations for the year ended 31st March, 2011 posted by business units which are segmented based on BTMU's internal management classification:

- *Retail Banking Business Unit:* Income from deposit operations was stagnant due to decreasing market rates, while fees and commissions from the sales of investment trust and insurance have been strong, and the unit kept up its effort to reduce costs.
- *Corporate Banking Business Unit:* While the unit suffered from unfavourable income from lending operations due to stagnant capital needs, its solutions business remained solid.
- *Global Business Unit:* The unit's fees and commissions income primarily from the non-Japanese clients in Asia remained robust.
- *Global Markets Unit:* The unit generated trading profits in the yen and foreign currency-denominated asset-liability management operation, by exercising timely operations in the phase of lowering interest rate.

Recent Developments

Effects of the Great East Japan Earthquake

On 11th March, 2011, the Tohoku region of Japan experienced a major earthquake and tsunami, which caused major property damage in the region. The Great East Japan Earthquake disrupted economic activity in the region and also indirectly affected Japan nationwide. Infrastructure and facilities in the region suffered damage, causing supply chain disruptions relating to parts and supplies manufactured in the region. The direct impact of the earthquake to BTMU was primarily physical damage to its tangible assets, such as real estate properties and system infrastructure, and was limited only to the Tohoku region. Of the more than 600 branches that BTMU has in Japan, only six branches are located in the region directly impacted by the earthquake. BTMU's real estate properties of those six branches did not suffer any serious damage, and all of them continued their operations through the end of normal business hours on the day of the earthquake and resumed their operations on the next business day following the earthquake.

The Great East Japan Earthquake also triggered accidents at the Fukushima Daiichi Nuclear Power Plant, causing radiation contamination in the surrounding areas. As a result, the Japanese government has relocated residents from certain designated areas. BTMU does not have any branches or offices in the evacuation area established by the Japanese government due to the accidents at the Fukushima Daiichi Nuclear Power Plant. The accidents have also resulted in an electricity power supply shortage, which has negatively affected the output capacity of many Japanese companies.

The Great East Japan Earthquake has resulted in, and will likely further cause, indirect adverse effects on BTMU's financial results such as an increase in credit costs as the credit quality of some of its borrowers may deteriorate. BTMU's loans outstanding to borrowers in the Tohoku region as of 31st March, 2011 was proportionately small, constituting less than one per cent. of its total loans outstanding. Soon after the earthquake, BTMU was ready to offer special loan products and programmes designed to financially assist borrowers affected by the Great East Japan Earthquake.

In addition, the Great East Japan Earthquake has contributed to impairment losses on investment securities for the fiscal year ended 31st March, 2011, though BTMU is unable to quantify the loss directly caused by the earthquake separately from losses caused by other economic factors. At this time, BTMU is uncertain of the potential impact of the earthquake for the fiscal year ending 31st March, 2012, because the operating environment will be influenced by numerous factors, including, but not limited to, general Japanese economic condition, pace of the market recovery (if any) and governmental policies for compensation and reconstruction, specifically a scheme to financially support electric utilities that are subject to damage claims and the treatment of their major debt and equity holders under such scheme, including BTMU.

Agreement to Acquire The Royal Bank of Scotland Group's Project Finance Related Assets

In December 2010, BTMU entered into a sale and purchase agreement with The Royal Bank of Scotland Group plc ("RBS"), to acquire from RBS approximately £3.3 billion of project finance related assets consisting of loans for natural resource, power and other infrastructure projects in Europe, the Middle-East and Africa, and related assets. In connection with this acquisition, MUFG acting mainly through Mitsubishi UFJ Securities International plc (London), which is one of BTMU's affiliates within the MUFG group, is expected to acquire associated derivatives. The transaction contemplated by the agreement is subject to required regulatory approvals and third-party consents and is expected to be completed by the autumn of 2011.

Agreements with the FDIC to Acquire Assets and Assume Liabilities of Failing Community Banks

In April 2010, Union Bank, BTMU's subsidiary in the United States, entered into a Purchase and Assumption Agreement with the FDIC as receiver of Frontier Bank of Everett, Washington to purchase certain assets and assume certain deposit and other liabilities of Frontier Bank. Of the approximately \$3.2 billion in total assets acquired, Union Bank acquired approximately \$2.9 billion in loans and other real estate owned which are covered

under a loss share agreement with the FDIC. Union Bank also assumed approximately \$2.5 billion in deposits and \$372.0 million of borrowings and other liabilities.

Also in April 2010, Union Bank entered into a Purchase and Assumption Agreement with the FDIC as receiver of Tamalpais Bank of San Rafael, California to purchase certain assets and assume certain deposits and other liabilities of Tamalpais Bank. Of the approximately \$0.6 billion in total assets acquired, Union Bank acquired approximately \$0.5 billion in loans and other real estate owned which are covered under a loss share agreement with the FDIC. Union Bank also assumed more than \$0.4 billion in deposits.

Management

BTMU's Articles of Incorporation provides that the number of directors shall not exceed 20 and that the number of corporate auditors shall not exceed eight. BTMU's shareholders elect directors usually at BTMU's annual ordinary general meeting of shareholders for one-year terms. BTMU's shareholders also elect corporate auditors usually at BTMU's annual ordinary general meeting of shareholders for four-year terms.

BTMU currently have 17 directors, including three outside directors. BTMU's board of directors has ultimate responsibility for the administration of BTMU's affairs. BTMU's board of directors is empowered to appoint by resolution representative directors from among the directors who may represent BTMU severally. BTMU's board of directors may also appoint from their members by resolution a chairman, a deputy chairman, a president, deputy presidents, senior managing directors and managing directors. Deputy presidents assist the president. Senior managing directors and the managing directors assist the president and deputy presidents, if any, in the management of BTMU's day-to-day business.

Set forth below is a list of the Board of Directors of BTMU as of the date hereof.

Board of Directors

<i>Name</i>	<i>Current Position</i>	<i>Principal Activities outside BTMU</i>
Nobuo Kuroyanagi ⁽¹⁾	Chairman	
Takamune Okihara ⁽¹⁾	Deputy Chairman and in charge of Internal Audit and Credit Examination Division	Chairman of MUFG
Katsunori Nagayasu ⁽¹⁾	President	President & Chief Executive Officer of MUFG
Nobuyuki Hirano ⁽¹⁾	Deputy President	Deputy President, in charge of Strategic Alliance Officer of MUFG
Tamotsu Kokado ⁽¹⁾	Deputy President, in charge of Central Region of Japan	
Takashi Hara ⁽¹⁾	Deputy President, in charge of Western Region of Japan	
Takashi Morimura ⁽¹⁾	Deputy President and Chief Executive of the Global Business Unit	Managing Officer & Chief Executive, Integrated Corporate Banking Business Group of MUFG
Takashi Nagaoka ⁽¹⁾	Deputy President and Chief Executive of the Corporate Banking Business Unit	Managing Officer & Chief Executive, Integrated Corporate Banking Business Group of MUFG
Takeshi Ogasawara ⁽¹⁾	Senior Managing Director and Chief Compliance Officer, and in charge of the Corporate Risk Management Division, the Credit Policy & Planning Division, the International Credit Division, the Credit Division for the Americas, the European Credit Division and the Investment Banking Credit Division	Managing Officer and Deputy Chief Compliance Officer of MUFG
Hitoshi Suzuki ⁽¹⁾	Senior Managing Director and Chief Executive, the Global Markets Unit	
Hidekazu Fukumoto ⁽¹⁾	Managing Director and Chief Executive, Retail Banking Business Unit	Managing Officer & Chief Executive, Integrated Retail Banking Business Group of MUFG
Takashi Oyamada ⁽¹⁾	Managing Director in charge of the Corporate Administration Division, the Corporate Planning Division, the Public Relations Division and the CSR Promotion Division	Director of MUFG
Hidenobu Fujii ⁽¹⁾	Managing Director, in charge of the Human Resources Division	
Kanetsugu Mike ⁽¹⁾	Managing Director and General Manager, Corporate Services	Managing Officer, in charge of Operation & System Planning Division of MUFG

<i>Name</i>	<i>Current Position</i>	<i>Principal Activities outside BTMU</i>
Taihei Yuki	Director	Senior Managing Director, in charge of Finance Division of MUFG
Kunio Ishihara	Director	Chairman of the Board of Tokio Marine Holdings, Inc., Chairman of the Board of Tokio Marine & Nichido Fire Insurance Co., Ltd.
Teruo Ozaki	Director	Managing Partner of Teruo Ozaki & Co., CEO, President of Andersen Business Associates Inc.

Note:

(1) Representative Director.

The business address of all the Directors is 7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-8388, Japan.

There are no potential conflicts of interest between the duties to BTMU of its Directors listed above and their private interests or other duties.

Set forth below is a list of the Corporate Auditors of BTMU as of the date hereof.

Corporate Auditors

<i>Name</i>	<i>Current Position</i>
Shota Yasuda	Full-time Corporate Auditor
Jun Sato	Full-time Corporate Auditor
Mikiyasu Hiroi	Full-time Corporate Auditor
Kanji Morioka	Full-time Corporate Auditor
Tsutomu Takasuka	Full-time Corporate Auditor
Kotaro Muneoka	Corporate Auditor
Kenji Matsuo	Corporate Auditor
Tetsuya Nakagawa	Corporate Auditor

Material Contracts

BTMU has not entered into material contracts which are not in the ordinary course of its business, which could result in BTMU being under an obligation or entitlement that is material to BTMU's ability to meet its obligation to Noteholders.

TAXATION

Taxation in Japan

Notes issued by BTMUH

Under Japanese tax laws currently in effect, the payments by the Guarantor of principal and interest outside Japan in respect of the Notes under the Unsubordinated Guarantee, the Senior Subordinated Guarantee or the Junior Subordinated Guarantee will not be subject to Japanese withholding tax.

Japanese inheritance and gift taxes at progressive rates may be payable by an individual who has acquired Notes as legatee, heir or donee.

No stamp, issue, registration or similar taxes or duties will, under present Japanese laws, be payable in Japan by holders of Notes in connection with the issue of the Notes.

Notes issued by BTMU

The following description of Japanese taxation (limited to national taxes) applies exclusively to interest and issue differential (as defined below) on the Notes issued or to be issued during the period from and including 1st April, 2010 by BTMU outside Japan and payable outside Japan. It is not intended to be exhaustive and Noteholders and/or Couponholders are recommended to consult their tax advisers as to their exact tax position.

Prospective purchasers are advised to consult their own legal, tax, accountancy or other professional advisers in order to ascertain their particular circumstances regarding taxation. Prospective purchasers should note that the Japanese tax treatment with respect to certain types of Notes issued by BTMU (including, but not limited to, equity linked Notes and index linked Notes) is not clear. Accordingly the actual Japanese tax treatment of certain types of Notes may be different from the treatment described below. Further, the statements below are based on current tax laws and regulations in Japan and current income tax treaties executed by Japan all as in effect on the date hereof and all of which are subject to change or differing interpretations (possibly with retroactive effect). Neither such statements nor any other statements in the Prospectus are to be regarded as advice on the tax position of any beneficial owner of the Notes or any person purchasing, selling or otherwise dealing in the Notes or any tax implication arising from the purchase, sale or other dealings in respect of the Notes.

Interest payments on the Notes to an individual resident of Japan or a Japanese corporation (except for a Japanese financial institution or a Japanese financial instruments firm designated by the Special Taxation Measures Law Enforcement Order (the “Cabinet Order”) pursuant to Article 6, paragraph 9 of the Special Taxation Measures Law which has complied with the requirements under Article 6 of the Special Taxation Measures Law) or a non-resident of Japan or a foreign corporation that is a Specially-Related Party of BTMU will be subject to withholding of Japanese income tax under the Income Tax Law of Japan (Law No. 33 of 1965, as amended) on the amount specified in sub-paragraph (a) or (b) below, as applicable:

- (a) If interest is paid to an individual resident of Japan or to a Japanese corporation (except as provided in sub-paragraph (b) below), a non-resident of Japan or a foreign corporation that is a Specially-Related Party of BTMU, the amount of such interest; or
- (b) If interest is paid to a public corporation, a financial institution or a financial instruments firm designated by Article 3-3 paragraph 6 of the Special Taxation Measures Law (which has complied with the Japanese tax exemption requirements under the said paragraph 6) through its payment handling agent in Japan as provided in the said paragraph 6, the amount of such interest minus the amount accrued during the period in which the Notes have been held by such recipient as provided in the Cabinet Order relating to the said paragraph 6.

It should be noted that if the recipient of interest on the Notes is a Japanese corporation the amount of such interest will be included in the recipient’s income which is subject to Japanese corporate tax under the Corporate

Tax Law of Japan (Law No. 34 of 1965, as amended); provided that the amount of Japanese income tax withheld under the Income Tax Law of Japan will be generally credited against the amount of Japanese corporate tax.

Under the Special Taxation Measures Law, payment of interest on the Notes outside Japan to a non-resident of Japan or a foreign corporation that is not a Specially-Related Party of BTMU for Japanese tax purposes will not be subject to withholding of Japanese income tax, if such recipient of interest establishes that it is a non-resident of Japan or a foreign corporation in compliance with the requirements under the Special Taxation Measures Law as summarised below:

- (1) If the Notes or Coupons are deposited with an agent which handles the interest payments on the Notes as defined in the Cabinet Order (the “payment handling agent”) in accordance with the Cabinet Order, (A) the recipient of the interest provides such payment handling agent which holds the Notes or Coupons in its custody (the “payment handling custodian”) with information including, *inter alia*, its name and address and obtains confirmation from the payment handling custodian of the correctness of such information by presenting certain documentary or other evidence to such payment handling custodian; (B) such payment handling custodian notifies “Interest Recipient Information” (providing, *inter alia*, (i) that all recipients are non residents of Japan or foreign corporations that are not Specially-Related Parties of BTMU (if applicable); or (ii) the amount of the interest payable to the recipients which are non residents of Japan or foreign corporations that are not Specially-Related Parties of BTMU) which is prepared by such payment handling custodian based on the information provided by the recipient, to the Issuer or (if the Notes or Coupons are further sub-deposited with another payment handling agent including a clearing organisation (the “sub-depositary”) by such payment handling custodian) through such sub-depositary to the Issuer, at the latest one day prior to the date on which such payment handling custodian receives from the Issuer the amount of the interest for the payment to the recipients; and (C) the Issuer prepares “Interest Recipient Confirmation” based upon Interest Recipient Information and submits it to the competent Japanese tax authority (the “tax authority”); or
- (2) If the Notes or Coupons are held otherwise than through a payment handling custodian, upon each payment of the interest on the Notes, the Noteholder files a “Claim for Exemption from Taxation” (providing, *inter alia*, the name and address of the recipient of the interest) with the tax authority through the Issuer or (if payment of interest is made through the payment handling agent) through the payment handling agent and the Issuer.

If the recipient of interest on the Notes is a non-resident of Japan or a foreign corporation that is not a Specially-Related Party of BTMU, failure by such non-resident or foreign corporation that is not a Specially-Related Party of BTMU to comply with the above requirements will result in the withholding of Japanese income tax.

The above exemption from the withholding of Japanese income tax on the interest payments of the Notes is also applied to a Japanese financial institution or a Japanese financial instruments firm designated by the Cabinet Order pursuant to Article 6, paragraph 9 of the Special Taxation Measures Law which receives the interest on the Notes outside of Japan (i.e. receives the interest otherwise than through the payment handling agent in Japan).

Even if the recipient of the interest on the Notes is a non-resident of Japan or a foreign corporation that is not a Specially-Related Party of BTMU, the above exemption from the withholding of Japanese income tax on the interest payments of the Notes shall not apply if the amount of interest is determined based on the amount of profit, sales or revenue or other similar basis (as provided in the Cabinet Order) of (a) BTMU or (b) a Specially-Related Party of BTMU (the “Taxable Linked Notes”). However, BTMU does not intend to issue “Taxable Linked Notes” for the purposes of Japanese tax laws under the Programme.

If the recipient of interest on the Notes is a non-resident of Japan or a foreign corporation that is not a Specially-Related Party of BTMU which complies with the above requirements and if such non-resident or foreign corporation that is not a Specially-Related Party of BTMU has a permanent establishment within Japan and the receipt of interest is attributable to the business of such non-resident or foreign corporation that is not a Specially-

Related Party of BTMU carried on within Japan through such permanent establishment, such interest will be subject to Japanese income tax or corporate tax, as appropriate, payable other than by way of withholding.

If the recipient of the difference between the issue price of Notes and the amount which the holder receives upon redemption of such Notes (hereinafter referred to as the “issue differential”) is a non-resident of Japan or a foreign corporation that is not a Specially-Related Party of BTMU having no permanent establishment within Japan or having a permanent establishment within Japan but the receipt of such issue differential is not attributable to the business carried on within Japan by such non-resident or foreign corporation that is not a Specially-Related Party of BTMU through such permanent establishment, no income tax or corporate tax is payable with respect to such issue differential. If the receipt of such issue differential is attributable to the business of any such non-resident or foreign corporation that is not a Specially-Related Party of BTMU carried on within Japan through a permanent establishment maintained by it within Japan, such issue differential will be subject to Japanese income tax or corporate tax, as appropriate, payable other than by way of withholding.

Taxation in Curaçao

Curaçao does not impose any withholding taxes, other than a savings tax under the National Ordinance on Savings Tax (*Landsverordening spaarvermogensheffing*) in respect of payments of interest or deemed interest to natural persons, residents of EU Member States who do not wish details of payments of interest to them to be provided to the tax authorities of such EU Member State if these interest payments are made by a paying agent (*uitbetalende instantie*) seated in Curaçao. Accordingly, no withholding on account of any Curaçao taxes is required by the Issuers or as the case may be, by the Guarantor under the Unsubordinated Guarantee, the Senior Subordinated Guarantee or the Junior Subordinated Guarantee with respect to any interest payments made to holders of the Notes or on any gains realised by such holders upon the sale, redemption or exchange of the Notes if such payments are actually made by The Bank of Tokyo-Mitsubishi UFJ, Ltd., London Branch, located in the United Kingdom, Mitsubishi UFJ Global Custody S.A., located in Luxembourg, or Union Bank, N.A., located in the United States of America, as paying agents under the Programme.

Holders of Notes who are not residents of Curaçao are not subject to any Curaçao income, gift, estate or inheritance taxes solely by reason of their ownership of Notes.

No stamp or other taxes will be payable in Curaçao by the Issuers or as the case may be, by the Guarantor in connection with the issue, sale and delivery of the Notes.

EU Directive on the Taxation of Savings Income

The EU has adopted a Directive regarding the taxation of savings income. The Directive requires EU Member States to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person to an individual in another Member State, except that Austria, Belgium and Luxembourg will instead impose a withholding system for a transitional period unless during such period they elect otherwise. Belgium has replaced this withholding tax with a regime of exchange of information to the Member State of residence from 1st January, 2010. A number of third countries and territories have adopted similar measures to the EU Directive. Curaçao as an associated territory of the EU has in 2006 adopted the National Ordinance on Savings Tax (*Landsverordening spaarvermogensheffing*) implementing the EU Directive.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

BOOK-ENTRY CLEARANCE PROCEDURES

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream, Luxembourg (together, the “Clearing Systems”) currently in effect. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuers, the Guarantor, the Trustee or any agent party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Global Notes

Each Tranche of Notes offered and sold outside the United States in reliance on Regulation S will be represented by interests in a Reg. S Global Note which will be deposited with and registered in the name of a nominee for a common depository for Euroclear and/or Clearstream, Luxembourg for the account of its participants. A beneficial interest in a Reg. S Global Note may at all times be held only through Euroclear and Clearstream, Luxembourg. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Final Terms.

Each Tranche of Notes offered and sold in reliance on Rule 144A will be represented by interests in a Restricted Global Note which will be deposited with a custodian for, and registered in the name of a nominee for, DTC. The address of DTC is 55 Water Street, New York, NY 10041. Restricted Global Notes will be subject to certain restrictions on transfer contained in a legend appearing on the face of such Note set forth under “Subscription and Sale and Transfer Restrictions”.

Each Reg. S Global Note will have an ISIN number and each Restricted Global Note will have a CUSIP number.

Transfer within and between DTC, Clearstream, Luxembourg and Euroclear

On or prior to the 40th day after completion of the distribution of each Tranche of Notes, a beneficial interest in a Reg. S Global Note may be transferred to a person who wishes to take delivery of such beneficial interest through a Restricted Global Note only upon receipt by the Registrar of a written certification from the transferor (in the applicable form provided in the Agency Agreement) to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB within the meaning of Rule 144A, in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. After such 40th day, such certification requirements will no longer apply to such transfers, but such transfers will continue to be subject to the transfer restrictions contained in the legend appearing on the face of such Reg. S Global Note, as set out under “Subscription and Sale and Transfer Restrictions”.

A beneficial interest in a Restricted Global Note may be transferred to a person who wishes to take delivery of such beneficial interest through a Reg. S Global Note, whether before, on or after such 40th day, only upon receipt by the Registrar of a written certification from the transferor (in the applicable form provided in the Agency Agreement) to the effect that such transfer is being made in accordance with Regulation S or Rule 144A under the Securities Act (if applicable).

Any beneficial interest in either a Restricted Global Note or a Reg. S Global Note that is transferred to a person who takes delivery in the form of a beneficial interest in another Global Note will, upon transfer, cease to be a beneficial interest in such Registered Global Note and become a beneficial interest in that other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to a beneficial interest in such other Registered Global Note for as long as it remains such an interest.

So long as DTC or its nominee or Euroclear, Clearstream, Luxembourg or the nominee of their common depositary is the registered holder of a Registered Global Note, DTC, Euroclear, Clearstream, Luxembourg or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for the sole purpose of making payments in respect of the Notes (provided that the applicable tax treatment and procedures will be determined as if the person who is shown in the records of DTC, Euroclear or Clearstream, Luxembourg, as the case may be, as the holder of a particular nominal amount of such Notes were the registered holder itself). Payments of principal, interest and additional amounts, if any, pursuant to Condition 7, in respect of a Registered Global Note will be made to DTC, Euroclear, Clearstream, Luxembourg or such nominee, as the case may be, as the registered holder thereof. None of the Issuers, the Guarantor, any Agent or any Dealer or any affiliate of any of the above or any person by whom any of the above is controlled for the purposes of the Securities Act will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Note Certificates

Registration of title to Notes initially represented by a Restricted Global Note in a name other than DTC or a successor depositary or one of their respective nominees will not be permitted unless such depositary notifies the relevant Issuer that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to the Restricted Global Note or ceases to be a “clearing agency” registered under the Exchange Act or is at any time no longer eligible to act as such, and the Issuer of such Note is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of such depositary.

Registration of title to Notes initially represented by a Reg. S Global Note in a name other than the nominee of the common depositary for Euroclear and Clearstream, Luxembourg will not be permitted unless Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business and does in fact do so and no alternative clearance system acceptable to the Trustee is available.

In such circumstances, the relevant Issuer and the Guarantor (where BTMUH is the Issuer) will, at the cost of the relevant Issuer and the Guarantor (where BTMUH is the Issuer), cause sufficient Note certificates to be executed and delivered to the Registrar for completion and dispatch to the relevant Noteholders. A person having an interest in a Registered Global Note must provide the Registrar with:

- (i) a written order containing instructions and such other information as the relevant Issuer and the Registrar may require to complete, execute and deliver such Note certificates; and
- (ii) in the case of a Restricted Global Note only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange or, in the case of simultaneous sale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Note certificates issued in exchange for a beneficial interest in such Restricted Global Note shall bear the legends applicable to transfers pursuant to Rule 144A (as set out under “Subscription and Sale and Transfer Restrictions”).

The holder of a Registered Note may transfer such Registered Note in accordance with the provisions of Condition 10 of the Terms and Conditions of the Notes.

The holder of a Note certificate may transfer the Registered Note represented thereby by surrendering it at the specified office of the Registrar or any Transfer Agent, together with the completed form of transfer thereon. Upon the transfer, exchange or replacement of a Note certificate issued in exchange for a Restricted Global Note (“144A Note Certificates”) bearing the legend referred to under “Subscription and Sale and Transfer Restrictions”, or upon specific request for removal of the legend on a 144A Note Certificate, the relevant Issuer will deliver only 144A Note Certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the relevant Issuer and the Registrar such satisfactory evidence, which may include an opinion of

counsel, as may reasonably be required by the relevant Issuer, that neither the legend nor the restriction on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

The Registrar will not register the transfer of or exchange of interests in a Registered Global Note for Note certificates for a period 15 calendar days preceding the due date for any payment of principal or interest in respect of the Notes.

With respect to the registration of transfer of any 144A Note Certificate, the Registrar will register the transfer of any such 144A Note Certificate if the transferor, in the form of Transfer on such 144A Note Certificate has to the effect that such transfer is (i) to persons whom the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A, in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction, (ii) in accordance with Regulation S, (iii) pursuant to Rule 144 under the Securities Act (if applicable) or (iv) to relevant Issuer or its affiliates.

If only one of the Global Notes (an “Exchanged Global Note”) becomes exchangeable for Note certificates in accordance with the above paragraphs, transfers of Notes may not take place between, on the one hand, persons holding Note certificates issued in exchange for beneficial interests in the Exchanged Global Note and, on the other hand, persons wishing to purchase beneficial interests in the other Global Note representing the same series of Notes of the relevant Tranche.

Euroclear, Clearstream, Luxembourg and DTC

Custodial and depositary links have been established with Euroclear and Clearstream, Luxembourg and DTC to facilitate the initial issue of the Registered Notes and cross-market transfers of the Clearstream, Luxembourg Registered Notes associated with secondary market trading.

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers, and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant either directly or indirectly.

Distributions of principal and interest with respect to book-entry interests in the Registered Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system’s rules and procedures.

DTC has informed the Issuers as follows: DTC is a limited-purpose trust company organised under the laws of the State of New York, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provision of Section 17A of the Exchange Act. DTC holds securities for DTC participants and facilitates the clearance and settlement of securities transactions between DTC participants through electronic book-entry changes in accounts of DTC participants. DTC participants include securities brokers and dealers, banks, trust companies and clearing corporations and may include certain other organisations such as the Dealers. Indirect access to DTC is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly.

Holders of book-entry interests in the Registered Notes holding through DTC will receive, to the extent received by the Agent, all distributions of principal and interest with respect to book-entry interests in the

Registered Notes from the Agent through DTC. Distributions in the United States will be subject to relevant U.S. tax laws and regulations.

The laws of some states of the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer interests in a Global Note to such persons may be limited. Because DTC, Euroclear and Clearstream, Luxembourg can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Global Note to pledge such interest to persons or entities which do not participate in the relevant clearing system, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

The aggregate holdings of book-entry interests in the Registered Notes of Euroclear, Clearstream, Luxembourg and DTC will be reflected in the book-entry accounts of each institution. As necessary, the Registrar will adjust the amounts of Registered Notes on the Register for the accounts of (i) Euroclear and Clearstream, Luxembourg and (ii) DTC to reflect the amounts of Notes held through Euroclear, Clearstream, Luxembourg and DTC, respectively. Beneficial ownership in Registered Notes will be held through financial institutions as direct and indirect participants in Euroclear, Clearstream, Luxembourg and DTC. Euroclear, Clearstream, Luxembourg or DTC, as the case may be, and every other intermediate holder in the chain to the beneficial owner of book-entry interests in the Registered Notes will be responsible for establishing and maintaining accounts for their participants and customers having interests in the book-entry interests in the Registered Notes.

The Registrar will be responsible for maintaining a record of the aggregate holdings of Registered Notes registered in the name of a nominee for the common depository for Euroclear and Clearstream, Luxembourg a nominee for DTC and/or holders of Registered Notes represented by Note certificates.

The Agent will be responsible for ensuring that payments received by it from the relevant Issuer for holders of interests in the Notes holding through Euroclear and Clearstream, Luxembourg are credited to Euroclear or Clearstream, Luxembourg as the case may be, and the Agent will also be responsible for ensuring that payments received by the Registered Agent from the relevant Issuer for holders of interests in the Notes holding through DTC are credited to DTC.

The relevant Issuer will not impose any fees in respect of the Registered Notes; however, holders of book-entry interests in the Registered Notes may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear, Clearstream, Luxembourg and/or DTC.

Interests in the Reg. S Global Notes and the Restricted Global Notes will be in uncertificated book entry form. Purchasers electing to hold book-entry interests in the Registered Notes through Euroclear and Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional eurobonds. Book-entry interests in the Reg. S Global Notes will be credited to Euroclear participant securities clearance accounts on the business day following the closing date for the Relevant Notes against payment (value such closing date), and to Clearstream, Luxembourg participant securities custody accounts on such closing date against payment in same day funds. DTC participants acting on behalf of purchases electing to hold book-entry interests in the Registered Notes through DTC will follow the delivery practices applicable to securities eligible for DTC's Same-Day Funds Settlement ("SDFS") system. DTC participant securities accounts will be credited with book-entry interests in the Registered Notes following confirmation of receipt of payment to the relevant Issuer on the closing date for the Relevant Notes.

Trading between Euroclear and/or Clearstream, Luxembourg participants: Secondary market sales of book-entry interests in Registered Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book-entry interests in Registered Notes through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

Trading between DTC participants: Secondary market sales of book-entry interests in the Registered Notes between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled using the procedures applicable to United States corporate debt obligations in DTC's SDFS system in same-day

funDS, if payment is effected in U.S. dollars, or free of payment, if payment is not effected in U.S. dollars. Where payment is not effected in U.S. dollars separate payment arrangements outside DTC are required to be made between the DTC participants.

Trading between DTC sellers and Euroclear/Clearstream, Luxembourg purchasers: When book entry interests in Registered Notes are to be transferred from the account of a DTC participant holding a beneficial interest in a Restricted Global Note to the account of a Euroclear or Clearstream, Luxembourg participant wishing to purchase a beneficial interest in a Reg. S Global Note (subject to such certification procedures as provided in the Agency Agreement) the DTC participant will deliver the book-entry interests in the Registered Notes represented thereby free of payment by 3.00 p.m., New York time, on the settlement date to the Custodian's account at DTC together with instructions for delivery to the relevant Euroclear or Clearstream, Luxembourg participant. Separate payment arrangements are required to be made between the DTC participants and the relevant Euroclear or Clearstream, Luxembourg participant. On the settlement date, the Custodian will instruct the Registrar to (i) decrease the amount of Registered Notes registered in the name of the depository for DTC and evidenced by the Restricted Global Note and (ii) increase the amount of Notes registered in the name of the nominee of the common depository for Euroclear and Clearstream, Luxembourg and evidenced by the Reg. S Global Note. Book-entry interests will be delivered free of payment to Euroclear or Clearstream, Luxembourg as the case may be, for credit to the relevant participant's account on the second business day following the settlement date.

Trading between Euroclear/Clearstream, Luxembourg seller and DTC purchasers: When book entry interests in the Registered Notes are to be transferred from the account of a Euroclear or Clearstream, Luxembourg participant to the account of a DTC participant wishing to purchase a beneficial interest in a Restricted Global Note (subject to such certification procedures as provided in the Agency Agreement), the Euroclear or Clearstream, Luxembourg participant must send to Euroclear/Clearstream, Luxembourg delivery free of payment instructions by 10.00 a.m., Brussels or Luxembourg time (as the case may be) one business day prior to the settlement date. Euroclear or Clearstream, Luxembourg, as the case may be, will in turn transmit appropriate instructions to the common depository for Euroclear and Clearstream, Luxembourg and the Registrar to arrange delivery to the DTC participant on the settlement date. Separate payment arrangements are required to be made between the DTC participant and the relevant Euroclear or Clearstream, Luxembourg participant, as the case may be. On the settlement date, the common depository for Euroclear and Clearstream, Luxembourg will (a) transmit appropriate instructions to the Custodian who will in turn deliver such book-entry interests in the Notes free of payment to the relevant account of the DTC participant and (b) instruct the Registrar to (i) decrease the amount of Registered Notes registered in the name of the nominee of the common depository for Euroclear and Clearstream, Luxembourg and evidenced by the relevant Reg. S Global Note and (ii) increase the amount of Notes registered in the name of the depository for DTC and evidenced by the Restricted Global Notes.

Although the foregoing sets out the procedures of Euroclear, Clearstream, Luxembourg and DTC in order to facilitate the transfers of interest in the Notes among participants of DTC, Clearstream, Luxembourg and Euroclear, none of Euroclear, Clearstream, Luxembourg or DTC is under any obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of BTMUH, BTMU, any Agent or any Manager or any affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act, will have any responsibility for the performance by DTC, Euroclear and Clearstream, Luxembourg or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

Transfer Restrictions

Each Restricted Global Note and Note certificate issued in exchange for a beneficial interest in the Restricted Global Note will bear a legend as set out under "Subscription and Sale and Transfer Restrictions".

All purchasers of beneficial interests in a Restricted Global Note shall be deemed to have represented and agreed to reoffer, resell, pledge or otherwise transfer such beneficial interests only in accordance with the foregoing legend.

Meetings of Noteholders

The provisions for meetings of Noteholders scheduled to the Trust Deed provide that, where all the outstanding Notes are held by one person, the quorum in respect of the relevant meeting will be one person present (being an individual, present in person, or, being a corporation, present by a representative) holding all of the outstanding Notes or being a proxy in respect of such Notes.

Purchase and cancellation of beneficial interests in Global Notes

Cancellation of any Registered Note represented by a beneficial interest in a Reg. S Global Note or a Restricted Global Note which is surrendered for cancellation following its purchase will be recorded in the Register by the Registrar.

SUBSCRIPTION AND SALE AND TRANSFER RESTRICTIONS

The Dealers have in the Amended and Restated Programme Agreement (the “Programme Agreement”) dated 31st August, 2011 as further amended and supplemented from time to time) agreed with the Issuers and the Guarantor a basis upon which they or any of them may from time to time agree to purchase Notes. In the Programme Agreement, the Issuers and, as the case may be, the Guarantor have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme.

United States

The Notes and the Guarantees have not been and will not be registered under the Securities Act. The Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. Terms used in this paragraph have the meanings given to them by Regulation S. Each of the Dealers has agreed and each further Dealer appointed under the Programme will be required to agree that:

- (i) Offers, sales, resales and other transfers of Notes in the United States made or approved by a Dealer (including in connection with secondary trading) shall be made with respect to Registered Notes only and shall be effected pursuant to an exemption from the registration requirements of the Securities Act.
- (ii) Offers, sales, resales and other transfers of Notes in the United States will be made only to Institutional Accredited Investors that have executed and delivered to a Dealer the IAI Investment Letter (the form of which is set out in the Agency Agreement) addressed to the relevant Issuer and the Guarantor (where BTMUH is the Issuer) substantially in the form set out in the Agency Agreement or to QIBs that are reasonably believed to qualify as qualified institutional buyers within the meaning of Rule 144A. Notes sold to, or purchased by, Institutional Accredited Investors will be issued solely in definitive registered form.
- (iii) Notes will be offered in the United States only by approaching prospective purchasers on an individual basis. No general solicitation or general advertising will be used in connection with the offering of the Notes in the United States.
- (iv) No sale of the Notes in the United States to an Institutional Accredited Investor or a QIB will be for less than U.S.\$200,000 (or its equivalent in any other currency) principal amount and no Note will be issued in connection with such a sale in a smaller principal amount. If such purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$200,000 (or its equivalent in any other currency) principal amount of the Notes.
- (v) Each Registered Note (other than a Reg. S Note in definitive form) shall contain a legend in substantially the following form:

“THIS NOTE [AND THE GUARANTEE IN RESPECT HEREOF] [HAS] [HAVE] NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY U.S. SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF, ON ITS OWN BEHALF AND ON BEHALF OF ANY ACCOUNT FOR WHICH IT IS PURCHASING THIS NOTE OR ANY INTEREST OR PARTICIPATION HEREIN, AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH NOTE OR ANY INTEREST OR PARTICIPATION HEREIN ONLY (A) TO, OR FOR THE ACCOUNT OR BENEFIT OF, THE ISSUER, (B) IN ACCORDANCE WITH RULE 144A TO A PERSON THAT IT AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A “QUALIFIED INSTITUTIONAL BUYER”, (C) TO, OR FOR THE ACCOUNT OR BENEFIT OF, AN “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) WHO IS AN INSTITUTION THAT, PRIOR TO SUCH TRANSFER, FURNISHES A WRITTEN CERTIFICATION CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS NOTE (THE FORM OF WHICH LETTER CAN BE OBTAINED FROM THE REGISTRAR AND THE TRANSFER AGENTS), PROVIDED THAT SUCH “ACCREDITED INVESTOR” TAKES DELIVERY OF SUCH NOTE IN DEFINITIVE FORM PURSUANT TO CONDITION 10 OF THE TERMS AND CONDITIONS OF THE NOTES, (D) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION WHICH MEETS THE REQUIREMENTS OF REGULATIONS UNDER THE SECURITIES ACT, (E) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION. UPON ANY TRANSFER OF THIS NOTE OR ANY INTEREST OR PARTICIPATION HEREIN PURSUANT TO CLAUSES (C), (D) OR (F), THE HOLDER WILL BE REQUIRED TO FURNISH TO THE ISSUER SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION IT MAY REASONABLY REQUIRE TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE HOLDER WILL ALSO BE REQUIRED TO DELIVER TO THE TRANSFEREE OF THIS NOTE OR ANY INTEREST OR PARTICIPATION THEREIN A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. ANY RESALE OR OTHER TRANSFER OR ATTEMPTED RESALE OR OTHER TRANSFER OF THIS NOTE MADE OTHER THAN IN COMPLIANCE WITH THE FOREGOING RESTRICTIONS SHALL NOT BE RECOGNISED BY THE ISSUER, THE REGISTRAR OR ANY OTHER AGENT OF THE ISSUER.

THIS NOTE AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE TRUST DEED REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).

In the case of Reg. S Global Notes only, the following paragraph shall appear in the legend:

“THE RESTRICTIONS IN THE PRECEDING PARAGRAPH SHALL ONLY APPLY DURING THE PERIOD WHICH ENDS 40 DAYS AFTER COMPLETION OF DISTRIBUTION OF THE NOTES AS CERTIFIED BY THE RELEVANT DEALER OR DEALERS, IN THE CASE OF A NON-SYNDICATED ISSUE, OR AS CERTIFIED BY THE RELEVANT LEAD MANAGER, IN THE CASE OF A SYNDICATED ISSUE.”

The legend endorsed on each Reg. S Global Note shall cease to apply after expiry of the Distribution Compliance Period applicable thereto.

In the case of a Registered Global Note registered in the name of Cede & Co. as nominee (or another nominee) of The Depository Trust Company, the following paragraph shall also appear in the legend:

“UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY REGISTERED NOTE ISSUED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUIRED BY ANY AUTHORISED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

By its purchase of any Notes, each investor in the United States shall be deemed to have agreed to the restrictions contained in any legend endorsed on the Note purchased by it (to the extent still applicable) and each such purchaser shall be deemed to have represented to the relevant Issuer and, the Guarantor (where BTMUH is the Issuer), the seller and the Dealer, if applicable that:

- (i) either (a) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware, and each beneficial owner of such Notes has been advised, that any sale to it is being made in reliance on Rule 144A or (ii) it is an Institutional Accredited Investor which has delivered an Institutional Accredited Investor Investment Letter or (c) it is outside the United States and is not a U.S. person and it is not an affiliate of the relevant Issuer or a person acting on behalf of such an affiliate;
- (ii) the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes and the Guarantees have not been and will not be registered under the Securities Act or any U.S. state securities laws and may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (iii) unless it holds an interest in a Reg. S Global Note and either is a person located outside the United States or is not a U.S. person, if in the future it decides to offer, resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so only (a) to the Issuer or any affiliate thereof, (b) to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (c) in an offshore transaction in compliance with Rule 903 or Rule 904 under the Securities Act, (d) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available) or (e) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. State securities laws;
- (iv) it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (iii) above, if then applicable;

-
- (v) Notes initially offered in the United States to QIBs will be represented by one or more Restricted Global Notes and before any interest in a Restricted Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Reg. S Global Note, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws; that Notes offered to Institutional Accredited Investors will be in the form of Registered Notes in definitive form; and that Notes offered outside the United States in reliance on Regulation S will be represented by one or more Reg. S Global Notes and prior to the expiration of the Distribution Compliance Period, before any interest in a Restricted Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Reg. S Global Note, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws; and
- (vi) that the relevant Issuer, the Guarantor, the Registrar, the Dealers and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the relevant Issuer and the Guarantor; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

To the extent that any Issuer is not subject to or does not comply with the reporting requirements of Section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, such Issuer has agreed to furnish to Noteholders and to prospective purchasers designated by such Noteholders, upon request thereby, such information as may be required by Rule 144A.

Any purchaser of Notes must have sufficient knowledge and experience in business matters to be capable of evaluating the merits and risks of investing in and holding Notes and be able to bear the economic risk of the investment for an indefinite period of time because the Notes and the Guarantees have not been registered under the Securities Act. There is no undertaking to register the Notes or the Guarantees thereafter, and they cannot be sold unless they are subsequently registered or an exemption from such registration requirement is available. There can be no assurance that the Notes will be sold or that there will be a secondary market for the Notes.

Pursuant to the Programme Agreement, each of BTMU and BTMUH has agreed to indemnify the Dealers against, or to contribute to losses arising out of, certain liabilities, including liabilities under certain securities laws.

Bearer Notes, which may be issued pursuant to a Final Terms, are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer or sell any Notes of any Tranche (i) as part of their distribution at any time or (ii) otherwise until expiry of the Distribution Compliance Period applicable to such Tranche issued prior to such determination, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the Distribution Compliance Period (other than resales pursuant to Rule 144A) a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States to, or for the account or benefit of, U.S. persons.

In addition, until expiry of the relevant Distribution Compliance Period, an offer or sale of Notes within the United States by a Dealer, including a dealer that is not participating in the offering, may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

In addition, certain Series of Notes in respect of which any payment is determined by reference to an index or formula, or to changes in prices of securities or commodities or certain other Notes will be subject to such

additional U.S. selling restrictions as the relevant Issuer and the Guarantor (where BTMUH is the Issuer) and the relevant Dealer(s) may agree, as indicated in the applicable Final Terms. Each Dealer has agreed and, if different, the relevant dealer in respect of each such issue will be required to agree that it will offer, sell or, in the case of Bearer Notes, deliver such Notes only in compliance with such additional U.S. selling restrictions.

Public Offer Selling Restrictions under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the PD (each, a “Relevant Member State”), each Dealer has represented, warranted and agreed that with effect from and including the date on which the PD is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the PD;
- (b) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the PD) as permitted under the PD, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the PD,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuers or any Dealer to publish a prospectus pursuant to Article 3 of the PD or supplement a prospectus pursuant to Article 16 of the PD.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the PD in that Member State and the expression “PD” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State, and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Each Dealer has represented, warranted and agreed that:

- (i) in relation to any Notes issued by BTMUH having a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business, and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses, or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses, where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not, or, in the case of BTMU would not, if it was not an authorised person, apply to the Issuers or the Guarantor; and

-
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Selling Restrictions Addressing Additional Netherlands Securities Laws

Each Dealer has represented and agreed that it will not offer, sell, transfer or deliver the Notes in The Netherlands other than to “professional market parties” (*professionele marktpartijen*, “PMPs”) within the meaning of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*, the “FMSA”) and, with effect from and including 1st January, 2012, it will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in The Netherlands in reliance on Article 3(2) of the Prospectus Directive unless:

- (a) such offer is made exclusively to legal entities which are qualified investors in The Netherlands as defined in the PD; or
- (b) such offer is made to PMPs which are not qualified investors and the standard exemption logo and wording are disclosed as required by article 5:20(5) of the FMSA (unless such offer is made in circumstances in which article 5:20(5) is not applicable);

provided that no such offer of Notes shall require the Issuers, the Guarantor or any Dealer to publish a prospectus pursuant to Article 3 of the PD or supplement a prospectus pursuant to Article 16 of the PD.

For the purposes of this provision, the expressions (i) an “offer of Notes to the public” in relation to any Notes in The Netherlands; and (ii) “PD”, have the meaning given to them above in the section headed “Public Offer Selling Restriction Under the Prospectus Directive”.

Notwithstanding the above, Zero Coupon Notes may not, directly or indirectly, as part of their initial distribution (or immediately thereafter) or as part of any re-offering be offered, sold, transferred or delivered in The Netherlands. For purposes of this paragraph “Zero Coupon Notes” are Notes that are in bearer form (whether in definitive or in global form) and that constitute a claim for a fixed sum against the relevant Issuer or the Guarantor and on which interest does not become due during their tenor or on which no interest is due whatsoever.

Curaçao

The Notes may not be sold to residents of Curaçao (including corporations organised under the laws thereof) unless they have obtained a licence to purchase Notes or have non-resident status or have been exempted from obtaining a licence under the foreign exchange control regulations of Curaçao.

In addition, pursuant to article 45 of the Supervision of Banking and Credit Institutions Ordinance of 1994, BTMUH is required to obtain the approval of the Central Bank of Curaçao and Sint Maarten prior to the issue of the Notes. BTMUH obtained such approval from the predecessor of the Central Bank of Curaçao and Sint Maarten on 8th July, 1996 and on 28th November, 1997 for the increase of the Programme limit to U.S.\$15,000,000,000.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law and, accordingly, each Dealer has represented and agreed that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. Each Dealer has also represented and agreed that when it will conduct an activity to sell or offer the Notes in such manner, it will comply with the Law on Sale of Financial Products of Japan (Law No. 101 of 2000, as amended) and any order and regulation ancillary thereto which are applicable to it thereunder. For the purposes of this paragraph, “Japanese Person” shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

In the case of the Notes issued by BTMU, the Notes will be subject to the Special Taxation Measures Law. Accordingly, each Dealer has undertaken that it will not, as part of its initial distribution at any time, directly or indirectly offer or sell Notes in Japan or to, or for the benefit of, any Japanese Person (which term as used in this and the next paragraph means any person resident in Japan, including any corporation or other entity organised under the laws of Japan but excluding certain financial institutions and financial instruments firms defined in Article 6, paragraph 9 of the Special Taxation Measures Law and any other excluded category of persons, corporations or other entities under the Special Taxation Measures Law) or an individual non-resident of Japan or a non-Japanese corporation that in either case is a Specially-Related Party of BTMU, so as to satisfy the requirements for the tax exemption as provided for in Article 6 of the Special Taxation Measures Law and any other applicable laws, regulations and ministerial guidelines of Japan.

BY PURCHASING THE NOTES ISSUED BY BTMU, AN INVESTOR WILL BE DEEMED TO HAVE REPRESENTED IT IS NEITHER A JAPANESE PERSON NOR AN INDIVIDUAL NON-RESIDENT OF JAPAN OR A NON-JAPANESE CORPORATION THAT IN EITHER CASE IS A SPECIALLY-RELATED PARTY OF BTMU.

General

Each Dealer has agreed that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers or sells Notes or possesses or distributes this Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales and neither the Issuers nor the Guarantor nor any other Dealer shall have any responsibility therefor.

Neither the Issuers nor the Guarantor nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

The Programme Agreement provides that, without prejudice to the obligations of the Dealers described in the previous two paragraphs of this section “—General”, the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall no longer be applicable as a result of change(s) in, or change(s) in official interpretation of, applicable laws and regulations after the date hereof.

With regard to each Tranche, the relevant Dealer will be required to comply with such other or additional restrictions as the Issuers, the Guarantor and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

GENERAL INFORMATION

Authorisation

The update of the Programme and the issue of Notes under the Programme were duly authorised by a resolution of the Board of Managing Directors of BTMUH dated 11th August, 2011 and the issue of Unsubordinated Notes under the Programme was duly authorised by a resolution of the Board of Directors of BTMU dated 29th March, 2011 whereby BTMU is authorised to issue in overseas markets up to U.S.\$2,000,000,000 in aggregate principal amount of senior notes without a subordination clause (including the Unsubordinated Notes) at any time until 30th September, 2011 and the issue of the Dated Subordinated Notes and the Undated Subordinated Notes under the Programme was duly authorised by a resolution of the Board of Directors of BTMU dated 29th March, 2011 whereby BTMU is authorised to issue in Japan and overseas markets up to ¥600,000,000,000 (in the case of an issue denominated in a currency other than yen, the foregoing amount is after conversion of such currency into yen) in aggregate principal amount of subordinated notes (including the Dated Subordinated Notes and the Undated Subordinated Notes) at any time until 31st March, 2012. All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuers and the Guarantor under the laws of Curaçao and Japan have been given for the issue of Notes and for the Issuers and the Guarantor to undertake and perform their respective obligations under the Programme Agreement, the Trust Deed, the Agency Agreement and the Notes.

Listing

The admission of the Programme to listing on the Official List and to trading on the Market is expected to take effect on 5th September, 2011. The listing of the Notes on the London Stock Exchange will be expressed as a percentage of their principal amount (exclusive of accrued interest). Any Tranche of Notes intended to be admitted to listing on the Official List and admitted to trading on the Market will be so admitted to listing and trading upon submission to the UK Listing Authority and the London Stock Exchange of the relevant Final Terms and any other information required by the UK Listing Authority and the London Stock Exchange, subject in each case to the issue of the relevant Notes. Prior to official listing and admission to trading, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day in London after the day of the transaction.

However, Notes may be issued pursuant to the Programme which will not be admitted to listing, trading and/or quotation on the Official List or the Market or by any other listing authority, stock exchange and/or quotation system or which will be admitted to listing, trading and/or quotation by such listing authority, stock exchange and/or quotation system as the Issuer and the relevant Dealer(s) may agree.

Issue Price

The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Final Terms of each Tranche, based on then prevailing market conditions. The Issuers do not intend to provide any post-issuance information in relation to any issues of Notes.

Documents Available

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available, without charge, from the registered office of the Issuers:

- (i) the Articles of Incorporation of BTMUH and BTMU and the Regulations governing the Board of Directors of BTMU;
- (ii) the audited financial statements of BTMUH covering the two most recent financial years ended prior to the date of this Prospectus, and the audited consolidated financial statements of BTMU covering the two most recent financial years ended prior to the date of this Prospectus;

-
- (iii) the most recently available audited financial statements of each of BTMUH and BTMU and the most recently available published interim financial statements of each of BTMU (if any) and BTMUH (if any);
 - (iv) the Programme Agreement, the Trust Deed (which contains the forms of the bearer and registered temporary and permanent global Notes, the definitive Notes, the Receipts, the Coupons and the Talons) and the Agency Agreement;
 - (v) a copy of this Prospectus; and
 - (vi) any future prospectuses, offering circular, supplementary listing particulars, information memoranda and supplements (including the Final Terms save that a Final Terms relating to an unlisted Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Paying Agent as to the identity of such holder) to this Prospectus and any other documents incorporated herein or therein by reference.

Clearing Systems

The Bearer Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and ISIN for each Tranche of Bearer Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. In addition, the relevant Issuer will make an application for any Registered Notes to be accepted for trading in book-entry for by Euroclear, Clearstream Luxembourg or DTC, as the case may be. For each Tranche of Registered Notes, the relevant ISIN, common code, CUSIP and/or CINS numbers will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

Significant Change

There has been no significant change in the financial or trading position of BTMUH and no material adverse change in the prospects of BTMUH since 31st December, 2010.

There has been no significant change in the financial or trading position of BTMU and its subsidiaries and no material adverse change in the prospects of BTMU and its subsidiaries since 31st March, 2011.

Litigation

BTMUH (whether as defendant or otherwise) is not and has not been involved in any governmental, legal, arbitration, administrative or other proceedings (including any such proceedings which are pending or threatened of which BTMUH is aware) during the twelve months prior to the date of this Prospectus which may have or have had in the recent past significant effects on its financial position or profitability.

Neither BTMU nor any of its subsidiaries (whether as defendant or otherwise) is or has been involved in any governmental, legal, arbitration, administrative or other proceedings (including any such proceedings which are pending or threatened of which BTMU is aware) during the twelve months prior to the date of this Prospectus which may have or have had in the recent past significant effects on the financial position or profitability of the Group.

Legends

U.S. Legend

The following legend will appear on all global Notes, definitive Bearer Notes, Receipts and Coupons (including Talons):

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the U.S. Internal Revenue Code of 1986.”

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

Japanese Legend on Notes issued by BTMU:

The following legend will appear on all Notes (in global and definitive form), Receipts and Coupons:

“Interest payments on this security will be subject to Japanese withholding tax unless the holder establishes that this security is held by or for the account of a holder that is (i) for Japanese tax purposes, not an individual resident of Japan, a Japanese corporation, or an individual non-resident of Japan or a non-Japanese corporation that in either case is a person or an entity directly or indirectly controlling, or directly or indirectly controlled by, or under direct or indirect common control with, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (“BTMU”) as described in Article 6, Paragraph 4 of the Special Taxation Measures Law of Japan (a “Specially-Related Party of BTMU”), or (ii) a Japanese designated financial institution described in Article 6, Paragraph 9 of the Special Taxation Measures Law of Japan which complies with the requirement for tax exemption under that paragraph.

Interest payments on this security to an individual resident of Japan, to a Japanese corporation not described in the preceding paragraph, or to an individual non-resident of Japan or a non-Japanese corporation that is a Specially-Related Party of BTMU will be subject to deduction in respect of Japanese income tax at a rate of 15 per cent. of the amount specified in sub-paragraph (a) or (b) below, as applicable:

- (a) if interest is paid to an individual resident of Japan, to a Japanese corporation, or to an individual non-resident of Japan or a non-Japanese corporation that is a Specially-Related Party of BTMU (except as provided in sub-paragraph (b) below), the amount of such interest; or
- (b) if interest is paid to a public corporation, a financial institution or a financial instruments business operator, etc. through a payment handling agent in Japan, as provided in Article 3-3, Paragraph 6 of the Special Taxation Measures Law of Japan in compliance with the requirement for tax exemption under that paragraph, the amount of such interest minus the amount provided in the cabinet order relating to the said Paragraph 6.”

United States Federal Income Tax Confidentiality Waiver

Any person (and each employee, representative, or other agent of such person) may disclose to any and all persons, without limitation of any kind, the United States Federal income tax treatment and the United States Federal income tax structure of the Note, Coupon or Talon and all materials of any kind (including opinions or other tax analyses) that are provided to such holder relating to such tax treatment and tax structure.

Capital Relationship

Union Bank, N.A., acting as Trustee in respect of Notes issued under the Programme, is a majority owned subsidiary of BTMU. BTMU holds 100 per cent. of the voting interests of BTMUH.

Auditors to BTMU and BTMUH

The consolidated financial statements of BTMU and its subsidiaries incorporated in this Prospectus by reference from BTMU 2011 English Annual Securities Report have been audited in accordance with auditing standards generally accepted in Japan by Deloitte Touche Tohmatsu LLC (authorised and regulated under the Japanese Certified Public Accountant Law (Law No. 103 of 1948, as amended)), independent auditors, as stated in their report which is incorporated herein by reference (which report expresses an unqualified opinion on the financial statements).

The financial statements of BTMUH as of and for the financial year ended 31st December, 2009 and 2010, prepared in accordance with International Financial Reporting Standards incorporated by reference in this Prospectus have been audited by Deloitte Dutch Caribbean, Independent Auditors (supervised by the Royal Dutch Institute of Registered Accountants), in accordance with International Standards on Auditing as stated in their reports referenced herein.

Dealers

Certain of the Dealers and their affiliates have engaged, and may in future engage, in investment banking and/or commercial banking transactions and may perform services for the Issuers, the Guarantor and their respective affiliates in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers and the Guarantor. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers and/or the Guarantor routinely hedge their credit exposure to the Issuers and/or the Guarantor consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuers' and/or Guarantor's securities, including potentially the Notes offered under the Programme. Any such short positions could adversely affect future trading prices of the Notes offered under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

REGISTERED OFFICE OF BTMUH

BTMU (Curaçao) Holdings N.V.

Berg Arrarat 1
Willemstad, Curaçao

AUDITORS TO BTMUH

Deloitte Dutch Caribbean

Arrarat Bridge Offices
Deloitte Building
Berg Arrarat
P.O. Box 809
Willemstad, Curaçao

THE TRUSTEE

Union Bank, N.A.

1251 Avenue of the Americas
19th Floor
New York, N.Y. 10020

REGISTERED OFFICE OF BTMU

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

7-1, Marunouchi 2-chome
Chiyoda-ku, Tokyo 100-8388

AUDITORS TO BTMU

Deloitte Touche Tohmatsu LLC

13-23, Shibaura 4-chome
Minato-ku, Tokyo 108-8530

AGENT

The Bank of Tokyo-Mitsubishi UFJ, Ltd.,

London Branch

Ropemaker Place
25 Ropemaker Street
London EC2Y 9AN

PRINCIPAL REGISTRAR AND TRANSFER AGENT

Mitsubishi UFJ Global Custody S.A.

287-289 Route d'Arlon
L-1150 Luxembourg

NEW YORK REGISTRAR, EXCHANGE AGENT TRANSFER AGENT AND PAYING AGENT

Union Bank, N.A.

1251 Avenue of the Americas
19th Floor
New York, N.Y. 10020

PAYING AGENT

Mitsubishi UFJ Global Custody S.A.

287-289 Route d'Arlon
L-1150 Luxembourg

ALTERNATIVE REGISTRAR

Mitsubishi UFJ Securities International plc

Ropemaker Place
25 Ropemaker Street
London EC2Y 9AJ

LEGAL ADVISERS

To BTMUH as to Curaçao law

STvB

Johan van Walbeeckplein 11
Willemstad, Curaçao

To BTMU as to Japanese law

City-Yuwa Partners

Marunouchi Mitsui Building
2-2-2 Marunouchi
Chiyoda-ku, Tokyo 100-0005

To the Dealers as to English law

**Clifford Chance Law Office
(Gaikokuho Kyodo Jigyo)**

Akasaka Tameike Tower, 7th Floor
17-7, Akasaka 2-chome
Minato-ku, Tokyo 107-0052

DEALERS

Mitsubishi UFJ Securities International plc

Ropemaker Place
25 Ropemaker Street
London EC2Y 9AJ

Barclays Bank PLC

5 The North Colonnade
Canary Wharf
London E14 4BB

BNP PARIBAS

10 Harewood Avenue
London NW1 6AA

Citigroup Global Markets Limited

Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

Credit Suisse Securities (Europe) Limited

One Cabot Square
London E14 4QJ

Daiwa Capital Markets Europe Limited

5 King William Street
London EC4N 7AX

Deutsche Bank AG, London Branch

Winchester House
1 Great Winchester Street
London EC2N 2DB

Goldman Sachs International

Peterborough Court
133 Fleet Street
London EC4A 2BB

J.P. Morgan Securities Ltd.

125 London Wall
London EC2Y 5AJ

Merrill Lynch International

2 King Edward Street
London EC1A 1HQ

Mitsubishi UFJ Securities (HK), Limited

11/F, AIA Central
1 Connaught Road
Central, Hong Kong

Morgan Stanley & Co. International plc

25 Cabot Square
Canary Wharf
London E14 4QA

Nomura International plc

1 Angel Lane
London EC4R 3AB

The Royal Bank of Scotland plc

135 Bishopsgate
London EC2M 3UR

UBS Limited

1 Finsbury Avenue
London EC2M 2PP



MUFG