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BASE PROSPECTUS

EMIRATES NBD PJSC

(incorporated with limited liability in The United Arab Emirates)

EMIRATES NBD GLOBAL FUNDING LIMITED

(incorporated as an exempted company with limited liability in the Cayman Islands)

U.S.$7,500,000,000
Euro Medium Term Note Programme

On 20 June 2002, Emirates Bank International PJSC (''**EBI**'') entered into a U.S.$1,000,000,000 Euro Medium Term Note Programme (the ''**Programme**''). On 19 January 2005, the maximum aggregate nominal amount of Notes which may be outstanding under the Programme was increased from U.S.$1,000,000,000 to U.S.$3,500,000,000 and on 19 April 2007 such maximum aggregate nominal amount was further increased to U.S.$7,500,000,000. On 21 November 2009, EBI was legally amalgamated with Emirates NBD PJSC (''**ENBD**''). As a result of the amalgamation, all of the assets and liabilities of EBI were transferred to ENBD, EBI was dissolved and ENBD is now considered to be the issuer of the Notes issued by EBI prior to the date hereof. Any Notes (as defined below) issued under the Programme are issued subject to the provisions set out herein. This does not affect any Notes issued prior to the date hereof.

Under the Programme, ENBD and Emirates NBD Global Funding Limited (''**EGF**'' and, together with ENBD in its capacity as issuer, the ''**Issuers**'' and each an ''**Issuer**'') may from time to time issue notes (the ''**Notes**'') denominated in any currency agreed between the relevant Issuer and the relevant Dealer (as defined below).

The payments of all amounts due in respect of the Notes issued by EGF will be unconditionally and irrevocably guaranteed (the ''**Guarantee**'') by ENBD (in such capacity, the ''**Guarantor**'').

References to ''**the relevant Obligor(s)**'' shall, in the case of any issue of Notes, mean the relevant Issuer and, if the relevant Issuer is EGF, the Guarantor.

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.$7,500,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under ''*General Description of the Programme*'' and any additional Dealer appointed under the Programme from time to time by the Issuers (each a ''**Dealer**'' and together the ''**Dealers**''), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the ''**relevant Dealer**'' shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes. **An investment in Notes issued under the Programme involves certain risks**. **For a discussion of these risks see ''*Risk Factors*''**.

Application has been made to the *Commission de Surveillance du Secteur Financier* (the ''**CSSF**'') in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 on prospectuses for securities (the ''**Luxembourg Law**'') to approve this document as a base prospectus. The CSSF assumes no responsibility as to the economic and financial soundness of the Programme or in respect of the quality or solvency of ENBD or EGF pursuant to Article 7(7) of the Luxembourg Law. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market (the ''**Regulated Market**'') and to be listed on the official list (the ''**Official List**'') of the Luxembourg Stock Exchange, during the period of 12 months from the date of this Base Prospectus.

References in this Base Prospectus to Notes being ''**listed**'' (and all related references) shall mean that such Notes have been admitted to listing on the Official List and admitted to trading on the Regulated Market which is a regulated market for the purposes of 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 (as defined under ''*Terms and Conditions of the Notes*'') of Notes will be set out in a final terms (the ''**Final Terms**'') which, with respect to Notes to be listed on the Luxembourg Stock Exchange, will be filed with the CSSF.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between each relevant Obligor and the relevant Dealer. The Issuers may also issue unlisted Notes and/or Notes not admitted to trading on any market.

Each relevant Obligor 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 event a supplement to the Base Prospectus, in the case of listed Notes only, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The rating of certain Tranches of Notes to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to the relevant Tranche of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended by Regulation (EU) No. 513/2011, the ''**CRA Regulation**'') will be disclosed in the Final Terms. The list of registered and certified rating agencies published by the European Securities and Markets Authority (ESMA) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Each of Fitch Ratings Ltd. (''**Fitch**'') and Moody's Investors Service Limited (''**Moody's**'') has rated the Programme. The Programme has been rated A+ by Fitch and A3 by Moody's. For further information on credit rating agencies see page (v) of this Base Prospectus.

Arranger

Deutsche Bank

Dealers

Barclays Capital
BofA Merrill Lynch
Commerzbank
Credit Suisse
Emirates NBD
ING Commercial Banking
Morgan Stanley
SMBC Nikko
Standard Chartered Bank
UBS Investment Bank

BNP PARIBAS
Citigroup
Crédit Agricole CIB
Deutsche Bank
HSBC
J.P. Morgan
Nomura
Société Générale Corporate & Investment Banking
The Royal Bank of Scotland

The date of this Base Prospectus is 22 December 2011

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This Base Prospectus comprises two base prospectuses for the purposes of Article 5.4 of Directive 2003/71/EC (the ''**Prospectus Directive**'') as amended (which includes the amendment made by Directive 2010/73/EU (the 2010 Amending Directive) to the extent that such amendments have been implemented in a Relevant Member State of the European Economic Area).

Each of ENBD and EGF accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of each of ENBD and EGF (each having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus is to be read and construed in conjunction with any supplement hereto and with all documents which are incorporated herein by reference (see ''*Documents Incorporated by Reference*'') and, in relation to any Notes, should be read and construed together with the applicable Final Terms.

Certain information contained in ''*Risk Factors*'', ''*Description of Emirates NBD PJSC – ENBD's Competition*'', ''*Overview of the UAE and the Emirate of Dubai*'' and ''*The United Arab Emirates Banking and Financial Services System*'' (as indicated therein) has been extracted from independent, third party sources. Each of ENBD and EGF confirms that such information has been accurately reproduced and that, as far as it is aware and is able to ascertain from information published by the relevant, third party sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by any of ENBD or EGF in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by any of ENBD or EGF in connection with the Programme.

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

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by ENBD or EGF or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes 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 the relevant Obligor(s). Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of ENBD or EGF or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning ENBD or EGF 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 any of ENBD or EGF during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Base Prospectus when deciding whether or not to purchase any Notes.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the ''**Securities Act**'') and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see ''*Subscription and Sale*'').

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuers, the Guarantor and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuers, the Guarantor or the Dealers which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom, the Republic of Italy and France), Japan, the Dubai International Financial Centre, the Kingdom of Saudi Arabia, The United Arab Emirates and the Cayman Islands (see ''*Subscription and Sale*'').

This Base Prospectus has not been submitted for clearance to the *Autorité des marchés financiers* in France.

Certain figures and percentages included in this Base Prospectus have been subject to rounding adjustments. Accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

All references in this document to ''**U.S. dollars**'', ''**U.S.$**'' and ''**$**'' refer to United States dollars, to ''**Dirham**'' and ''**AED**'' refer to United Arab Emirates Dirham, to ''**euro**'' and ''**€**'' refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended and all references to ''**CNY**'', ''**Renminbi**'' and ''**RMB**'' are to the lawful currency of the People's Republic of China (the ''**PRC**'') which, for the purposes of this Base Prospectus, excludes the Hong Kong Special Administrative Region of the PRC, the Macao Special Administriative Region of the PRC and Taiwan. In addition, all references in this document to ''**UAE**'' are to the United Arab Emirates.

This Base Prospectus includes forward-looking statements. All statements other than statements of historical facts included in this Base Prospectus may constitute forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology, such as ''may'', ''will'', ''expect'', ''intend'', ''estimate'', ''anticipate'', ''believe'', ''continue'' or similar terminology. Although EGF and ENBD believe that the expectations reflected in their forward-looking statements are reasonable at this time, there can be no assurance that these expectations will prove to be correct.

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) (OR PERSONS 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 PERSONS ACTING ON BEHALF OF A STABILISING MANAGER) 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 OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

KINGDOM OF SAUDI ARABIA NOTICE

This Base Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the ''**Capital Market Authority**'').

The Capital Market Authority does not make any representations as to the accuracy or completeness of this Base Prospectus, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Base Prospectus. Prospective purchasers of Notes issued under the Programme should conduct their own due diligence on the accuracy of the information relating to the Notes. If a prospective purchaser does not understand the contents of this Base Prospectus he or she should consult an authorised financial adviser.

THE CREDIT RATING AGENCIES

Each of Fitch and Moody's has rated ENBD and Moody's has also rated the UAE. See pages i, 21 and 110.

Both Fitch and Moody's are established in the European Union and are registered under the CRA Regulation.

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RISK FACTORS

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

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Obligors believe that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Obligors to pay interest, principal or other amounts on or in connection with any Notes or to pay any amount in respect of the Guarantee, as the case may be, may occur for other reasons and the Obligors 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 Base Prospectus and reach their own views prior to making any investment decision.

Words and expressions defined in ''Form of the Notes'' and ''Terms and Conditions of the Notes'' shall have the same meanings in this section.

Factors that may affect EGF's ability to fulfil its obligations under Notes issued under the Programme

EGF has no operating history and no material assets

At the date of this Base Prospectus, EGF is an exempted company with limited liability, incorporated under the laws of the Cayman Islands on 3 July 2009 and has no operating history. EGF will not engage in any business activity other than the issuance of Notes under this Programme and other borrowing programmes established from time to time by ENBD, the issuance of shares in its capital and other activities incidental or related to the foregoing. EGF is not expected to have any income except payments received from ENBD, which will be the only material sources of funds available to meet the claims of the Noteholders. As a result, EGF is subject to all of the risks to which ENBD is subject, to the extent that such risk could limit ENBD's ability to satisfy in full and on a timely basis its obligations to EGF under the Programme.

As EGF is a Cayman Islands company, it may not be possible for Noteholders to effect service of process outside of the Cayman Islands.

Factors that may affect ENBD's ability to, in its capacity as Issuer, fulfil its obligations under Notes issued under the Programme and to, in its capacity as Guarantor, fulfil its obligations under the Guarantee

Principal shareholder and governmental interests

As at the date of this Base Prospectus, the Government of Dubai indirectly holds 55.64 per cent. of the share capital of ENBD. Investment Corporation of Dubai (''**ICD**''), which is wholly owned by the Government of Dubai, holds shares in ENBD directly. However, the Government of Dubai does not explicitly or implicitly guarantee the financial obligations of ENBD (including in respect of the Notes to be issued under the Programme and the Guarantee) nor does it, like any other shareholder (acting through ICD), have any legal obligation to provide any support or additional funding for any of ENBD's future operations.

Investors should also be aware that in June 2009, EBI issued AED 4 billion of Tier 1 securities to ICD in order to help satisfy the requirements of the Central Bank of the UAE (the ''**UAE Central Bank**''). Following the amalgamation of EBI and National Bank of Dubai PJSC (''**NBD**'') with ENBD, described further at ''*Description of Emirates NBD PJSC*'' below, ENBD is now considered to be the issuer of the securities.

However, notwithstanding the Tier 1 securities issued to ICD described in the previous paragraph, the funding support received from the UAE Federal Government during the difficult period of the global financial crisis that occurred from late 2008 to early 2009 and the conversion of AED 12.6 billion of deposits from the UAE Federal Government with ENBD into Tier 2 capital in March 2009 (see ''– *Capital Adequacy*'' under ''*Description of Emirates NBD PJSC*'' below), neither the Government of Dubai nor the UAE Federal Government are under any obligation to continue to invest in, make deposits with, do business with or otherwise support ENBD. The Government of Dubai and the UAE Federal Government may, whether directly or through government-owned

entities, at any time and for any reason, dispose of its investments in, withdraw its deposits from, cease to do business with or otherwise cease to support ENBD. The reduction or elimination of governmental support could have a material adverse effect on the business, results of operations, financial condition and prospects of ENBD.

Competition

Generally, the banking market in the UAE has been a relatively protected market with high regulatory and other barriers to entry for foreign financial institutions. However, should some of these barriers be removed or eased in the future, either voluntarily or as a result of the UAE's obligations to the World Trade Organisation (the ''**WTO**''), the Gulf Cooperation Council (the ''**GCC**'') or any other similar entities, it is likely to lead to a more competitive environment for ENBD and other domestic financial institutions. Such increase in competition could have a material adverse effect on the business, results of operations, financial condition and prospects of ENBD (see also ''*Description of Emirates NBD PJSC – ENBD's Competition*'' below).

Foreign exchange movements may adversely affect the profitability of ENBD

ENBD maintains its accounts and reports its results in AED. The UAE dirham has been pegged at a fixed exchange rate to the U.S. dollar since 22 November 1980. ENBD is exposed to the potential impact of any alteration to or abolition of this foreign exchange peg.

Majority of business in the UAE

ENBD has the majority of its operations and assets in the UAE and accordingly its business may be affected by the financial, political and general economic conditions prevailing from time to time in the UAE and/or the Middle East generally.

These markets are subject to greater risks than more developed markets, including in some cases significant legal, economic and political risks. Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in the light of those risks, their investment is appropriate. Generally, investment is only suitable for sophisticated investors who fully appreciate the significance of the risk involved (see also '' – *Risks factors relating to the UAE and the Middle East – Political, economic and related considerations*'' below).

Importance of key personnel

ENBD's ability to maintain and grow its business will depend, in part, on its ability to continue to recruit and retain qualified and experienced banking and management personnel. ENBD may face challenges in recruiting and retaining qualified personnel to manage its business from time to time and, if it is to continue to grow, will need to continue to increase its employee numbers.

Additionally, the UAE Federal Government has a recommended policy that at least 4 per cent. of the total employees (each year) of companies operating in the UAE must be UAE nationals. In common with other banks in the UAE, ENBD experiences a shortage of, and competition to recruit and retain, qualified UAE national employees. If ENBD is unable to meet or exceed the UAE Federal Government's recommended policy for recruiting UAE nationals, it may be subject to legal penalties including with respect to its current licences, and may be prevented from obtaining additional licences necessary in order to allow it to expand its business. Due to UAE federal labour laws, ENBD may also face difficulties that could delay or prevent dismissal of underperforming UAE national employees.

While ENBD currently meets (and exceeds) the UAE Federal Government's ''Emiratisation'' requirements (in particular, see ''*Description of Emirates NBD PJSC – Emiratisation*'') and believes that it has effective staff recruitment, training and incentive programmes in place, if it was unable to retain key members of its senior management and/or remove under performing staff and/or hire new qualified personnel in a timely manner, this could have a material adverse effect on its business, results of operations, financial condition and prospects.

Risks relating to the business of ENBD

Market risks

In the course of its business activities, ENBD is exposed to a variety of risks, the most significant of which are market risks, liquidity risks, credit risks and operational risks.

In the last two years in particular, difficult macro-economic and financial market conditions have affected and could continue to materially adversely affect ENBD's business.

Since the second half of 2007, disruptions in global capital and credit markets, coupled with the re-pricing of credit risk and the deterioration of the real estate markets in the United States, Europe, the UAE, the other countries of the GCC and elsewhere, have created difficult conditions in the financial markets. These conditions have resulted in historically high levels of volatility across many markets (including capital markets) and the failures of a number of financial institutions in the United States and Europe. Further market disruption may be caused by certain European countries experiencing debt servicing problems.

The countries of the GCC were affected by the global financial crisis in the second half of 2007, however, the most significant adverse effects only impacted the region in the second half of 2008. Since then, there has been a significant slowdown or reversal of the high growth rates that had been experienced by many countries within the GCC and the UAE, especially in Dubai (as described further in the next paragraph). Consequently, certain sectors of the GCC economy that had benefited from the high rate of growth, such as real estate, construction and financial institutions, have been materially adversely affected by the crisis.

During the second half of 2008 and into 2009, world oil prices fell by approximately 70 per cent. from their peak level of U.S.$137 per barrel of Murban crude oil reached in July 2008 to around U.S.$45 per barrel in February 2009, before returning to above U.S.$100 per barrel in February 2011. Oil prices remain volatile and have the potential to adversely affect the UAE economy in the future. In addition, the credit crisis in the global financial markets, which was particularly acute in 2008 and 2009, and the resultant deterioration in the global economic outlook led to a general reduction in liquidity and available financing and generally increased financing costs. These events affected Dubai and the UAE in a number of ways. First, gross domestic product (''**GDP**'') was adversely affected in 2009 reflecting the significant contributions of the oil and gas sector to the UAE's GDP and, in the case of Dubai, through the impact of these events on the construction and real estate sectors. Second, the UAE's trade surplus declined in 2009 reflecting the reduced value of hydrocarbon exports and its current account balance was additionally impacted as a result of declining services receipts and lower investment income. Third, certain ''government related entities'' wholly or substantially owned by the Government of Dubai have suffered from asset value deterioration and limited cash flow. Although Dubai enjoys a relatively diverse economy, with the oil and gas sector accounting for less than two per cent. of Dubai's GDP in 2010, any significant impact on international oil prices may have a negative impact on regional spending and liquidity and consequently is likely to affect Dubai's economy indirectly through its impact on the trade, construction, real estate, tourism and banking sectors in particular, given also the openness of the economy with no capital or exchange controls.

In response to the global financial crisis, governments and regulators in the UAE, Europe, the United States and other jurisdictions enacted legislation and took measures intended to help stabilise the financial system and increase the flow of credit to their economies. These measures included recapitalisation through the purchase of securities issued by financial institutions (including ordinary shares, preferred shares, or other hybrid or quasi-equity instruments), guarantees by governments outside of the UAE of debt issued by financial institutions, and government-sponsored mergers and acquisitions of and divestments by financial institutions. There can be no assurance that any or all of these measures will continue to positively affect volatility and credit availability or that governments will continue to support recovery in this way.

Whilst ENBD believes that it has implemented the appropriate policies, systems and processes to control and mitigate these risks (please see ''*Description of Emirates NBD PJSC – Risk Management*''), investors should note that a worsening of current financial market conditions could lead to further decreases in investor and consumer confidence, further market volatility and decline, further economic disruption and, as a result, could have an adverse effect on the business, results of operations, financial condition and prospects of each of the Issuers and the Guarantor irrespective of steps currently taken to adequately control these risks.

Liquidity risks

Liquidity risks could arise from the inability of ENBD to anticipate and provide for unforeseen decreases or changes in funding sources which could have adverse consequences on the ability of ENBD to meet its obligations when they fall due.

Since the second half of 2008, a liquidity crisis has existed in the global credit markets which initially arose because of a large number of borrower defaults in the sub-prime mortgage loan

market in the United States of America, but which has expanded to affect all levels of the international economy.

Liquidity is essential to the business of ENBD and the UAE financial markets have shown comparatively reduced levels of liquidity since the third quarter of 2008. In response, the UAE Ministry of Finance and the UAE Central Bank have taken a number of measures (UAE Ministry of Finance deposits and UAE Central Bank funding support) in an attempt to improve the liquidity levels in Dubai and the UAE. However, there is no guarantee that levels of liquidity will continue to improve indefinitely and will not deteriorate.

Credit risks

Credit risks arising from adverse changes in the credit quality and recoverability of loans/financing receivables, advances and amounts due from counterparties are inherent in the business of ENBD. Credit risks could arise from a deterioration in the credit quality of specific counterparties of ENBD, from a general deterioration in local or global economic conditions or from systemic risks with the financial systems, all of which could affect the recoverability and value of the assets of ENBD and which could cause an increase in the provisions for the impairment of its assets and other credit exposures.

As mentioned above under ''– *Risks relating to the business of ENBD*'', the UAE economy has been negatively impacted by the global economic downturn, which has affected some of the UAE's key economic sectors including trade, tourism, real estate and commerce. As a result of these recent adverse market conditions, certain of the customers to which ENBD directly extends credit and counterparties of ENBD have experienced, and may continue to experience, decreased revenues, financial losses, insolvency, difficulty in obtaining access to financing, increased funding costs and problems servicing their debt obligations or other expenses as they become due. Accordingly, ENBD may experience a higher level of credit defaults (including impaired loans and consequential increases in impairment allowances for doubtful loans and advances) in the immediate future, which could have a material adverse effect on its financial condition and results of operations.

Operational risks

Operational risks and losses can result from fraud, error by employees, failure to document transactions properly or to obtain proper internal authorisation, failure to comply with regulatory requirements and conduct of business rules, the failure of internal systems, equipment and external systems and occurrence of natural disasters. Although ENBD has implemented risk controls and loss mitigation strategies and substantial resources are devoted to developing efficient procedures, it is not possible to eliminate any of the operational risks entirely, which could have a material adverse effect on its financial condition and results of operations.

Notwithstanding anything in this operational risks risk factor, this risk factor should not be taken as implying that ENBD will be unable to comply with its obligations as a company with securities admitted to the Official List and its obligations as a supervised firm regulated by the CSSF.

Concentration risk

Concentrations in the loan/financing receivable and deposit portfolio of ENBD subject it to risks from default by its larger borrowers, from exposure to particular sectors of the UAE economy and from withdrawal of large deposits. The loans and receivables/finance receivables portfolio of ENBD shows industry and borrower concentration.

The ten largest private sector borrowers (which excludes those borrowers which are either wholly or majority owned by the Government of Dubai or the Ruler of Dubai, H.H. Sheikh Mohammed bin Rashid Al Maktoum) of ENBD and its subsidiaries (together with ENBD, the ''**Group**'') represented 8 per cent. of its total loans and receivables as at 30 September 2011. As at 30 September 2011, the ENBD's largest funded exposure to a private sector borrower was AED 3.7 billion, which constitutes 2 per cent. of its total loans and receivables (as at 30 September 2011) and 8 per cent. of its total regulatory capital (total regulatory capital being AED 45.4 billion as at 30 September 2011).

In terms of the industry concentration of the Group's total credit risk portfolio, as at 30 September 2011, banks and financial institutions accounted for 16 per cent., construction and real estate combined accounted for 16 per cent., trade and manufacturing accounted for 7 per cent.,

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government accounted for 30 per cent., personal finance accounted for 16 per cent. and other sectors accounted for 15 per cent.

As at 30 September 2011, the Group's wholesale banking customers represented 41.7 per cent. of its combined total deposits. Although ENBD considers that it has adequate access to sources of funding, the withdrawal of a significant portion of these large deposits may have an adverse effect on ENBD's financial condition or results of operations as well as its ability to meet the UAE Central Bank target stable resources ratio of 100 per cent. A downturn in the fortunes of any of ENBD's depositors, or in the sectors in which they operate, could have a material adverse effect on the financial condition or results of operations of ENBD.

Real estate exposure

As at 30 September 2011, exposures to real estate and construction constituted 13.0 per cent. and 3.0 per cent., respectively, of the Group's total credit risk portfolio. The Group's total funded real estate and construction exposure stood at AED 30.3 billion.

Since the middle of 2008, a number of real estate projects in Dubai have been cancelled or delayed, principally reflecting liquidity shortages for developers, decreasing headline real estate prices and rental rates, and increasing market uncertainty and negative sentiment. These factors adversely affected real GDP growth rates in the real estate and construction sectors in 2008, 2009 and 2010. According to Dubai's Real Estate Regulatory Authority (''**RERA**''), of the total number of registered projects at 31 May 2011, 129 projects have been completed since the beginning of 2009. In the last two years, RERA has additionally completed a review of more than 450 projects and, of these reviewed projects, 237 are expected to be completed in due course. 217 registered projects have been cancelled by RERA as at 31 May 2011.

Since late 2008 a real estate correction has been taking place in Dubai's real estate market such that, according to the Colliers International House Price Index published in the fourth quarter of 2010, the average price of residential property in Dubai decreased by 50 per cent. between the third quarter of 2008 and the fourth quarter of 2010. Further, according to a report entitled ''Dubai Real Estate Market Overview'' published by Jones Lang LaSalle in the second quarter of 2011, the average prime rentals price for commercial office property in Dubai fell by approximately 63 per cent. between the fourth quarter of 2008 and the first quarter of 2011. However, the average price of prime rentals has stabilised between the first quarter of 2011 and the second quarter of 2011, at AED 1,615 per square metre.

In addition to the decline in property values, the economic downturn in Dubai has also led to a significant decrease in property sales volumes. Figures from the Dubai Land Department for 2009 show that there were 1,924 land transactions with a combined value of AED 18.08 billion. However, although 2010 saw an increase in the number of sale transactions to 2,105, the combined value of such transactions fell to AED 14.37 billion, representing an approximately 21 per cent. decline in the total value of sale transactions completed between 2009 and 2010.

A further real estate correction or default of ENBD's main real estate-related clients could have a material adverse effect on the financial condition and results of operation of ENBD.

Changes in Accounting Policies

Potential future changes to accounting policies or reclassifications could have a material adverse effect on the financial condition or results of operation of ENBD.

Risk factors relating to the UAE and the Middle East

Political, economic and related considerations

While the UAE has historically enjoyed significant economic growth and relative political stability, there can be no assurance that such growth or stability will continue. Investors should note that ENBD's businesses and financial performance may be affected by the financial, political and general economic conditions prevailing from time to time in the UAE and the Middle East.

The UAE is seen as a relatively stable political environment with generally healthy international relations. However, as a country located in the Middle East and North Africa (''**MENA**'') region, there is a risk that regional geopolitical instability could impact the UAE and it should be noted that in the first half of 2011 there was significant political and social unrest, including violent protests and armed conflict, in a number of countries in the MENA region. The situation has caused significant disruption to the economies of affected countries and has had a destabilising

effect on oil and gas prices. Continued instability affecting the countries in the MENA region could adversely impact the UAE, although to date the impact on Dubai and the UAE has not been significant.

Dubai is also dependent on expatriate labour and has made significant efforts in recent years to attract high volumes of foreign businesses and tourists to the Emirate (see ''*The United Arab Emirates Banking and Financial Services System – Expatriate Workforce*''). These steps make it potentially more vulnerable should regional instability increase.

A general downturn, political instability or instability in certain sectors of the UAE or the regional economy could have an adverse effect on ENBD's businesses, financial condition, results of operations and prospects.

Impact of regulatory changes

ENBD is subject to a number of prudential and regulatory controls designed to maintain the safety and soundness of banks, ensure its compliance with economic, social and other objectives and limit their exposure to risk. These regulations include UAE federal laws and regulations (particularly those of the UAE Federal Government and the UAE Central Bank), as well as the laws and regulations of the other countries in which ENBD operates – in particular, see ''*The United Arab Emirates Banking and Financial Services System – Recent Developments – Capital Adequacy*''. Such regulations may limit ENBD's ability to increase its loan/financing receivable portfolios or raise capital or may increase its cost of doing business. In addition, as a result of the current financial crisis, the regulations currently governing UAE commercial banks are being reviewed, which may lead to the establishment of more stringent regulations in the future. Any changes in such laws and regulations and/or the manner in which they are interpreted or enforced may have a material adverse effect on ENBD's business, results of operations, financial condition and prospects. In particular, changes in UAE Central Bank regulations or policy may affect ENBD's reserves, provisions, impairment allowances and other applicable ratios. Furthermore, non-compliance with regulatory guidelines could expose ENBD to potential liabilities and fines. Although ENBD works closely with its regulators and continually monitors the situation, future changes in regulation, fiscal or other policies cannot be predicted and are beyond its control.

The GCC may enter into a monetary union

There is the possibility that Bahrain, Kuwait, the Kingdom of Saudi Arabia and Qatar may each abandon their respective national currencies in favour of a single GCC currency within the next few years. If a single GCC currency is adopted, the necessary convergence of laws, policies and procedure will bring significant changes to the economic and political infrastructure in each of the GCC states. As yet there has been no announcement of an official timetable for the progression of monetary union and there are currently no details of new legislation or policies. Investors should, however, be aware that new legislation and any resulting shift in policy and procedure in the UAE could affect the ability of ENBD to perform its obligations in respect of the Programme.

UAE bankruptcy law

In the event of the insolvency of ENBD, UAE bankruptcy law may adversely affect its ability to perform its obligations under the Notes issued by it and, in the case of Notes issued by EGF, ENBD's obligations under the Guarantee. There is little precedent to predict how any claims by Noteholders against ENBD would be resolved in the case of the insolvency of ENBD.

Enforcing foreign arbitration awards and foreign judgments in Dubai

The payments under the Notes are dependent upon the relevant Issuer (failing which, in the case of Notes issued by EGF, ENBD) making payments to investors in the manner contemplated under the Notes or the Guarantee, as the case may be. If the relevant Issuer and subsequently, in the case of Notes issued by EGF, the Guarantor fails to do so, it may be necessary to bring an action against the relevant Issuer or the Guarantor, as appropriate, to enforce its obligations and/or to claim damages which could be both time-consuming and costly.

ENBD has irrevocably agreed to the Notes and/or the Guarantee (as applicable) being governed by English law. Unresolved disputes in relation to the Notes and/or the Guarantee (as applicable) governed by English Law will, unless the option to litigate set out therein is exercised, be referred to arbitration under the LCIA Arbitration Rules with the seat of arbitration in Paris. In the event that such option to litigate set out therein is exercised, ENBD has irrevocably agreed to the courts of England having exclusive jurisdiction to settle disputes. Notwithstanding that a judgment may

be obtained in an English court there is no assurance that ENBD has or would at the relevant time have assets in the United Kingdom against which such a judgment could be enforced. ENBD is a UAE company and is incorporated in and has its operations and the majority of its assets located in the UAE.

Under current Dubai law, the Dubai courts are unlikely to enforce an English court judgment without re-examining the merits of the claim and may not observe the choice by the parties of English law as the governing law of the transaction. In the UAE, foreign law is required to be established as a question of fact and the interpretation of English law, by a court in the UAE, may not accord with the perception of an English court. In principle, courts in the UAE recognise the choice of foreign law if they are satisfied that an appropriate connection exists between the relevant transaction agreement and the foreign law which has been chosen. They will not, however, honour any provision of foreign law which is contrary to public policy, order or morals in the UAE, or to any mandatory law of, or applicable in, the UAE.

The UAE is a civil law jurisdiction and judicial precedents in Dubai have no binding effect on subsequent decisions. In addition, court decisions in Dubai are generally not recorded. These factors create greater judicial uncertainty.

The New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 (the New York Convention) entered into force in the UAE on 19 November 2006. Any arbitration award rendered in Paris should therefore be enforceable in Dubai in accordance with the terms of the New York Convention. Under the New York Convention, the UAE has an obligation to recognise and enforce foreign arbitration awards, unless the party opposing enforcement can prove one of the grounds under Article V of the New York Convention to refuse enforcement, or the Dubai courts find that the subject matter of the dispute is not capable of settlement by arbitration or enforcement would be contrary to the public policy of the UAE. There have been limited instances where the UAE courts, most notably the Fujairah Court of First Instance and the Dubai Court of First Instance, have ratified or ordered the recognition and enforcement of foreign arbitration awards under the New York Convention. There is, however, no system of binding judicial precedent in the UAE and it is unclear if these decisions are subject to any appeal. In practice, therefore, how the New York Convention provisions would be interpreted and applied by the Dubai courts, and whether the Dubai courts will enforce a foreign arbitration award in accordance with the New York Convention, remains largely untested.

Claims for specific enforcement

In the event that ENBD fails to perform its obligations under the Notes and/or the Guarantee (as applicable) to which it is a party, the potential remedies available to the Noteholders include obtaining an order for specific enforcement of the relevant obligations or a claim for damages. An order for specific enforcement is at the discretion of the court and there is no assurance that a court will provide such an order.

The amount of damages which a court may award in respect of a breach will depend upon a number of possible factors including an obligation on the Noteholders to mitigate any loss arising as a result of the breach. No assurance is provided on the level of damages which a court may award in the event of a failure by ENBD to perform its obligations as set out in the Notes and/or the Guarantee (as applicable).

Enforceability of ENBD's obligations under the Guarantee

Under UAE law, the obligations of a guarantor are incidental to the obligations of the principal debtor, and the obligations of the guarantor will only be valid to the extent of the continuing obligations of the principal debtor. In addition, in order to enforce a guarantee under UAE law, the underlying debt obligation for which such guarantee has been granted may need to be proved before the UAE courts.

The obligations of ENBD under the Guarantee in respect of the Notes issued by EGF are, therefore, incidental obligations and dependent on the validity and the enforceability of EGF's obligations under the Notes issued by it. Accordingly EGF's obligations under Notes issued by it may, therefore, need to be proved before the courts of the UAE in order for the obligations of ENBD under the Guarantee to be enforceable.

Sovereign immunity

Under the Notes and/or the Guarantee (as applicable) ENBD has waived its rights in relation to sovereign immunity in respect of such documents. However, there can be no assurance as to whether such waivers of immunity from suit, execution or attachment or other legal process by ENBD under the Notes and/or the Guarantee (as applicable) are valid and binding under the laws of the UAE and applicable in Dubai.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

The Notes may not be a suitable investment for all investors

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

(a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(e) 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. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments 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 a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the 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 the most common such features:

Notes subject to optional redemption by the Issuers

An optional redemption feature of Notes is likely to limit their market value. During any period when the relevant 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 relevant 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

Each 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 Issuers 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:

(a) the market price of such Notes may be volatile;

(b) they may receive no interest;

(c) payment of principal or interest may occur at a different time or in a different currency than expected;

(d) they may lose all or a substantial portion of their principal;

(e) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

(f) 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

(g) 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.

The historical experience of an index should not be viewed as an indication of the future performance of such index during the term of any Index Linked Notes. Accordingly, each potential investor should consult its own financial and legal advisers about the risk entailed by an investment in any Index Linked Notes and the suitability of such Notes in light of its particular circumstances.

Partly-paid Notes

Each 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 his 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 those 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

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the relevant Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since that Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate 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 relevant Issuer converts from a floating rate to a fixed rate in such circumstances, 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 from their principal 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.

The relevant Issuer's obligations under Subordinated Notes are subordinated and the Guarantor's obligations under the Guarantee in respect of the Subordinated Notes issued by EGF are subordinated

Each Issuer's obligations under the Subordinated Notes issued by it will be unsecured and will be subordinated to all unsubordinated payment obligations of that Issuer as set out in Condition 2.

The Guarantor's obligations under the Guarantee in respect of Subordinated Notes issued by EGF will be unsecured and will be subordinated to all unsubordinated payment obligations of the Guarantor as set out in Condition 2.

Although Subordinated Notes pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that an investor in Subordinated Notes will lose all or some of his investment should the relevant Obligors become insolvent.

Notes denominated in RMB are subject to additional risks

Set out below is a description of the principal risks which may be relevant to an investor in Notes denominated in Renminbi:

RMB is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC and this may adversely affect the liquidity of the Notes

RMB is not freely convertible at present. The PRC government continues to regulate conversion between RMB and foreign currencies, including the Hong Kong dollar despite the significant reduction over the years by the PRC government of its control over routine foreign exchange transactions under current accounts. Participating banks in Hong Kong have been permitted to engage in the settlement of Renminbi trade transactions under a pilot scheme introduced in July 2009. This represents a current account activity. The pilot scheme was extended in June 2010 to cover twenty provinces and cities in the PRC and to make Renminbi trade settlement and other current account item settlement available in all countries worldwide. It was further extended in August 2011 to cover all provinces and cities in the PRC. The Renminbi trade settlements under the pilot scheme have become one of the most significant sources of Renminbi funding in Hong Kong. The People's Bank of China (the ''**PBOC**'') has established a RMB clearing and settlement system for participating banks in Hong Kong pursuant to a Settlement Agreement relating to the clearing of RMB business between PBOC and Bank of China (Hong Kong) Limited. However, the current size of RMB and RMB-denominated financial assets in Hong Kong is limited, and its growth is subject to many constraints which are directly affected by PRC laws and regulations on foreign exchange and may adversely affect the liquidity of the Notes.

On 12 October 2011, Ministry of Commerce People's Republic of China (''**MOFCOM**'') promulgated the *Circular on Issues in relation to Cross-border Renminbi Foreign Direct Investment* (the ''**MOFCOM RMB FDI Circular**''). Pursuant to the MOFCOM RMB FDI Circular, prior written consent from the appropriate office of MOFCOM and/or its local counterparts (depending on the size and the relevant industry of the investment) is required for Renminbi foreign direct investments (''**RMB FDI**''). The MOFCOM RMB FDI Circular also requires that the proceeds of RMB FDI may not be used towards investment in securities, financial derivatives or entrustment loans in the PRC, except for investments in PRC domestic listed companies through private placements or share transfers by agreement. On 13 October 2011, *Measures on Administration of Renminbi Settlement in relation to Foreign Direct Investment* (the ''**PBOC RMB FDI Measures**'') issued by the People's Bank of China (the ''**PBOC**'') set out operating procedures for PRC banks to handle Renminbi settlement relating to RMB FDI and borrowing by foreign invested enterprises of offshore Renminbi loans. Prior to the PBOC RMB FDI Measures, cross-border Renminbi settlement for RMB FDI required approvals from the PBOC on a case-by-case basis. The new rules replace the PBOC approval requirement with a less onerous post-event registration and filing requirement. Under the new rules, foreign invested enterprises (whether established or acquired by foreign investors) need to (i) register their corporate information after the completion of a RMB FDI transaction, and (ii) make post-event registration or filing with the PBOC of any changes in registration information or in the event of increase or decrease of registered capital, equity transfer or replacement, merger or acquisition.

As the above measures and circulars are still relatively new, how they will be applied in practice still remain subject to the interpretation by the relevant PRC authorities.

There is no assurance that the PRC government will continue to gradually liberalise control over cross-border Renminbi remittances in the future or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of

Renminbi into or outside the PRC. In the event that the Group is not able to repatriate funds outside the PRC in Renminbi, the relevant Issuer will need to source Renminbi offshore to finance its obligations under the Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Notes and the Company's ability to source Renminbi outside the PRC to service Notes denominated in CNY

Since February 2004, in accordance with arrangements between the PRC central government and the Hong Kong government, licensed banks in Hong Kong may offer limited Renminbi-denominated banking services to Hong Kong residents and specified business customers. The PBOC, the central bank of the PRC, has also established a Renminbi clearing and settlement system for participating banks in Hong Kong. On 19 July 2010, further amendments were made to the Settlement Agreement on the Clearing of Renminbi Business (the ''**Settlement Agreement**'') between the PBOC and Bank of China (Hong Kong) Limited (the ''**RMB Clearing Bank**'') to further expand the scope of Renminbi business for participating banks in Hong Kong. Pursuant to the revised arrangements, all corporations are allowed to open Renminbi accounts in Hong Kong; there is no longer any limit (other than as provided in the following paragraph) on the ability of corporations to convert Renminbi; and there will no longer be any restriction on the transfer of Renminbi funds between different accounts in Hong Kong.

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. As of September 2011, the total amount of Renminbi deposits held by institutions authorised to engage in Renminbi banking business amounted to approximately RMB 622,236 millions (source: Hong Kong Monetary Authority Monthly Statistical Bulletin). In addition, participating banks are also required by the Hong Kong Monetary Authority to maintain a total amount of Renminbi (in the form of cash and its settlement account balance with the RMB Clearing Bank) of no less than 25.00 per cent. of their Renminbi deposits, which further limits the availability of Renminbi that participating banks can utilise for conversion services for their customers. Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC. The RMB Clearing Bank only has access to onshore liquidity support from the PBOC to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement and for individual customers with accounts in Hong Kong of up to RMB 20,000 per person per day. The RMB Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from the offshore market to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreement will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of Notes denominated in CNY. To the extent the Company is required to source Renminbi in the offshore market to service Notes denominated in CNY, there is no assurance that the Company will be able to source such Renminbi on satisfactory terms, if at all.

RMB currency risk

Except in limited circumstances, all payments of RMB under the Notes will be made solely by transfer to a RMB bank account maintained in Hong Kong in accordance with the prevailing rules and regulations for such transfer and in accordance with the terms and conditions of the Notes. The relevant Issuer cannot be required to make payment by any other means (including by transfer to a bank account in the PRC or anywhere else outside Hong Kong). RMB is not freely convertible at present, and conversion of RMB into other currencies through banks in Hong Kong is subject to restrictions.

In addition, there can be no assurance that access to RMB for the purposes of making payments under the Notes by the relevant Issuer or generally will remain or that new PRC regulations will not be promulgated which have the effect of restricting availability of RMB outside of the PRC. If it becomes impossible to convert RMB from/to another freely convertible currency, or transfer RMB between accounts in Hong Kong, or the general RMB exchange market in Hong Kong becomes illiquid, or any RMB clearing and settlement system for participating banks in Hong Kong is disrupted or suspended, the relevant Issuer may make any payment of RMB under the Notes in

another currency selected by the relevant Issuer using an exchange rate determined by the Calculation Agent or an exchange rate specified in the applicable Final Terms.

RMB exchange rate risk

The value of RMB against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. The relevant Issuer will make all RMB payments under the Notes in RMB unless otherwise specified. As a result, the value of such payments in RMB (in U.S. dollars or other applicable foreign currency terms) may vary with the prevailing exchange rates in the marketplace. If the value of RMB depreciates against the U.S. dollar or other foreign currencies, the value of a Noteholder's investment in U.S. dollars or other applicable foreign currency terms will decline.

Risks related to Notes generally

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

Modification and substitution

The 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 conditions of the Notes also provide that the Agent and the relevant Issuer may agree, without the consent of Noteholders, to any modification of any Notes, in the circumstances specified in Condition 14.

The conditions of the Notes also provide that ENBD (in its capacity as Issuer and as Guarantor in the case of Notes issued by EGF) may at any time, without the consent of Noteholders, agree to the substitution of a member of the Group, as defined in Condition 3, as principal debtor or guarantor, as the case may be, under any Notes in place of itself, in the circumstances described in Condition 17 of the conditions of the Notes.

No third-party guarantees

Investors should be aware that no guarantee is given in relation to the Notes by the Government of Dubai (see also ''– *Principal shareholder and governmental interests*'' above) or any other third parties other than, where EGF is the relevant Issuer, ENBD.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the ''**Savings Directive**''), each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at a rate of 35%. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The European Commission has proposed certain amendments to the Savings 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.

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 relevant Issuer 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. Each Issuer is required, save as provided in ''*Terms and Conditions of the Notes*'', to maintain a paying agent within the meaning of the Savings Directive in a Member State that is not obliged to withhold or deduct tax pursuant to the Savings Directive.

Change of law

The Terms and Conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. However, no assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practices after the date of this Base Prospectus, nor can any assurance be given as to whether any such change could adversely affect the ability of the Issuer to make payments under the Notes to be issued under the Programme or of the Guarantor, as the case may be, to comply with its obligations under the Guarantee.

Trading in the clearing systems

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may 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 its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Reliance on Euroclear and Clearstream, Luxembourg procedures

Each Tranche of Notes will be represented on issue by one or more Global Notes that will be deposited with a Common Depositary for Euroclear and Clearsteam, Luxembourg (each as defined in ''– *Form of the Notes*'' below). Except in the circumstances described in the Global Note, investors will not be entitled to receive Notes in definitive form. Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in the Global Note. While the Notes are represented by a Global Note, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and their respective participants. While Notes are represented by a Global Note, the relevant Issuer will discharge its payment obligation under such Note by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the relevant Notes. The Issuers have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note.

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

Risks related to the market generally

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

Absence of secondary market/limited liquidity

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very 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 and the Guarantor will make any payments under the Guarantee 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 (a) the Investor's Currency-equivalent yield on the Notes, (b) the Investor's Currency-equivalent value of the principal payable on the Notes and (c) 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 the Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to the structure, the market, the additional factors discussed above, or any 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.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings will be disclosed in the applicable Final Terms.

Emerging markets

Investors in emerging markets should be aware that these markets are subject to greater risks than more developed markets, including, in some cases, significant legal, economic and political risks. Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate. Generally, investment in emerging markets is only suitable for sophisticated investors who fully appreciate the significance of the risk involved.

Taxation risks on payments

Payments made by the relevant Obligor in respect of the Notes and the Guarantee could become subject to taxation. The Conditions require the relevant Obligor to pay additional amounts in the event that any withholding or deduction is required by UAE law to be made in respect of payments made by it under those the Notes and the Guarantee, as the case may be. Condition 7 provides that the relevant Obligor is required to pay additional amounts in respect of any such withholdings or deductions imposed by the Cayman Islands and/or the UAE (see Condition 7 and the definitions of *''Taxes Jurisdiction''*) in certain circumstances. In the event that the relevant Obligor fails to gross-up for any such withholding or deduction on payments due in respect of the Notes to Noteholders, each relevant Obligor has, pursuant to the Trust Deed, unconditionally and irrevocably undertaken (irrespective of the payment of any fee), as a continuing obligation, to pay to the Noteholders an amount equal to the liabilities of the relevant Obligor in respect of any and all additional amounts required to be paid in respect of the Notes pursuant to Condition 7 in respect of any withholding or deduction in respect of any tax as set out in that Condition.

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 (a) Notes are legal investments for it, (b) Notes can be used as collateral for various types of borrowing and (c) 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.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the CSSF shall be incorporated in, and form part of, this Base Prospectus:

(a) the unaudited condensed consolidated interim financial statements of ENBD for the nine month period ended 30 September 2011, including:

  (i) profit and loss account (page 3);

  (ii) balance sheet (page 2);

  (iii) cashflow statement (page 5);

  (iv) accounting policies and explanatory notes (pages 7 – 27); and

  (v) auditors' review report (page 1);

(b) the audited consolidated annual financial statements of ENBD for the financial year ended 31 December 2010 including:

  (i) profit and loss account (page 3);

  (ii) balance sheet (page 2);

  (iii) cashflow statement (page 5);

  (iv) accounting policies and explanatory notes (pages 8-102); and

  (v) auditors' report (page 1); and

(c) the audited consolidated annual financial statements of ENBD for the financial year ended 31 December 2009 including:

  (i) profit and loss account (page 9);

  (ii) balance sheet (page 8);

  (iii) cashflow statement (page 11);

  (iv) accounting policies and explanatory notes (pages 14-92); and

  (v) auditors' report (page 6).

Any information not listed in the cross-reference list above but included in the documents incorporated by reference is given for the purposes of information only.

Each of ENBD and EGF will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

Following the publication of this Base Prospectus a supplement may be prepared by ENBD and EGF and approved by the CSSF in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus can be obtained from the Luxembourg Stock Exchange's website at www.bourse.lu and, upon request, free of charge, from the registered office of ENBD and from the specified offices of the Paying Agents for the time being in London and Luxembourg.

GENERAL DESCRIPTION OF THE PROGRAMME

The following description does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms.

Words and expressions defined in ''*Form of the Notes*'' and ''*Terms and Conditions of the Notes*'' shall have the same meanings in this summary.

Issuers:	Emirates NBD PJSC Emirates NBD Global Funding Limited
Guarantor in respect of Notes Issued by Emirates NBD Global Funding Limited:	Emirates NBD PJSC
Description:	Euro Medium Term Note Programme
Arranger:	Deutsche Bank AG, London Branch
Dealers:	Barclays Bank PLC BNP Paribas Citigroup Global Markets Limited Commerzbank Aktiengesellschaft Crédit Agricole Corporate and Investment Bank Credit Suisse Securities (Europe) Limited Deutsche Bank AG, London Branch Emirates NBD PJSC HSBC Bank plc ING Bank N.V. J.P. Morgan Securities Ltd. Merrill Lynch International Morgan Stanley & Co. International plc Nomura International plc SMBC Nikko Capital Markets Limited Société Générale Standard Chartered Bank The Royal Bank of Scotland plc UBS Limited and any other Dealers appointed in accordance with the Programme Agreement.
Certain Restrictions:	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*'') including the following restrictions applicable at the date of this Base Prospectus. *Notes having a maturity of less than one year* Notes issued by either of EGF or ENBD having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent (see ''*Subscription and Sale*''). Under Part II of the Luxembourg Law, which implements the Prospectus Directive, prospectuses relating to money market instruments having a maturity at issue of less than 12 months

	and complying also with the definition of securities are not subject to the approval provisions of Part II of such Luxembourg Law.
Issuing and Principal Paying Agent:	Deutsche Bank AG, London Branch
Programme Size:	Up to U.S.$7,500,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuers and the Guarantor 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.
Currencies:	Subject to any applicable legal or regulatory restrictions, any currency agreed between the relevant Issuer and the relevant Dealer.
Maturities:	Such maturities as may be agreed between the relevant Issuer and the relevant Dealer, subject to such minimum or maximum maturities 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 Issuer or the relevant Specified Currency.
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:	The Notes will be issued in bearer or registered form, as described in ''*Form of the Notes*''. Registered Notes will not be exchangeable for Bearer Notes and *vice versa*.
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer.
Floating Rate Notes:	Floating Rate Notes will bear interest at a rate determined: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc.); or (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or (iii) on such other basis as may be agreed between the relevant Issuer and the relevant Dealer. The margin (if any) relating to such floating rate will be agreed between the relevant Issuer and the relevant Dealer for each Series of Floating Rate Notes.
Index Linked Notes:	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula or to changes in the prices of securities or commodities or to such other factors as the relevant Issuer and the relevant Dealer may agree.

Other provisions in relation to Floating Rate Notes and Index Linked Interest Notes:	Floating Rate Notes and Index Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both. Interest on Floating Rate Notes and Index Linked Interest Notes in respect of each Interest Period, as agreed prior to issue by the relevant Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer.
Dual Currency Notes:	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 and the relevant Dealer may agree.
Zero Coupon Notes:	Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.
Redemption:	The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or 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 notice to the Noteholders or the relevant 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 other terms as may be agreed between the relevant Issuer and the relevant Dealer. The applicable Final Terms may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.
Denomination of Notes:	The Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer save that 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 save that the minimum denomination of each Note 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 will be €100,000 or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency.
Taxation:	All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by the Tax Jurisdiction, subject as provided in Condition 7. In the event that any such deduction is made, the relevant Obligor(s) will, save in certain limited circumstances provided in Condition 7, be required to pay additional amounts to cover the amounts so deducted.
Negative Pledge:	The terms of the Senior Notes will contain a negative pledge provision as further described in Condition 3.
Cross Default:	The terms of the Senior Notes will contain a cross default provision as further described in Condition 9(a).
Status of the Notes:	The Senior Notes issued on an unsubordinated basis will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the

relevant Issuer and will rank *pari passu* among themselves and at least *pari passu* with the claims of the relevant Issuer's other unsecured and unsubordinated creditors save those whose claims are preferred solely by any bankruptcy, insolvency, liquidation or other similar laws of general application.

The Subordinated Notes will constitute direct, conditional (as described in Condition 2.1(b)) and unsecured obligations of the relevant Issuer and rank *pari passu* among themselves. The payment obligations of the relevant Issuer in respect of the Subordinated Notes (whether on account of principal, interest or otherwise) will be subordinated to all unsubordinated payment obligations of the relevant Issuer in the manner described below but will rank *pari passu* with all other subordinated payment obligations of the relevant Issuer which do not rank or are not expressed by their terms to rank junior to the payment obligations under the Subordinated Notes and in priority to all claims of shareholders of the relevant Issuer. The rights of the holders of Subordinated Notes against the relevant Issuer are subordinated in right of payment to the claims of all Senior Creditors (as defined in Condition 2.2(b)) of the relevant Issuer and accordingly payments in respect of the Subordinated Notes (whether on account of principal, interest or otherwise) by the relevant Issuer are conditional upon the relevant Issuer being solvent (as defined in Condition 2.2(b)) at the time of such payment and no payment shall be payable by the relevant Issuer in respect of the Subordinated Notes except to the extent that the relevant Issuer could make such payment and still be solvent immediately thereafter.

Status of the Guarantee of Senior Notes issued by EGF:

Senior Notes issued by EGF will be unconditionally and irrevocably guaranteed by the Guarantor. The payment obligations of the Guarantor under the Guarantee in respect of Senior Notes issued by EGF will be direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Guarantor and will rank *pari passu* and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor from time to time outstanding.

Status of the Guarantee of Subordinated Notes issued by EGF:

Subordinated Notes issued by EGF will be unconditionally and irrevocably guaranteed by the Guarantor. The payment obligations of the Guarantor under the Guarantee in respect of Subordinated Notes issued by EGF will constitute direct, conditional and unsecured obligations of the Guarantor and rank *pari passu* among themselves. The payment obligations of the Guarantor under the guarantee of Subordinated Notes issued by EGF (whether on account of principal, interest or otherwise) will be subordinated to all unsubordinated payment obligations of the Guarantor in the manner described below but will rank *pari passu* with all other subordinated payment obligations of the Guarantor which do not rank or are not expressed by their terms to rank junior to the payment obligations of the Guarantor under the Guarantee of Subordinated Notes issued by EGF and in priority to all claims of shareholders of the Guarantor. The rights of the holders of Subordinated Notes issued by EGF against the Guarantor are subordinated in right of payment to the claims of all Senior Creditors (as defined in Condition 2.2(b)) of the Guarantor and accordingly payments under the Guarantee in respect of Subordinated Notes issued by EGF by the Guarantor

	are conditional upon the Guarantor being solvent (as defined in Condition 2.2(b)) at the time of such payment and no payment shall be payable by the Guarantor in respect of the Subordinated Notes except to the extent that the Guarantor could make such payment and still be solvent immediately thereafter.
Substitution:	The Conditions of the Notes also provide that ENBD (in its capacity as Issuer and as Guarantor in the case of Notes issued by EGF) may at any time, without the consent of Noteholders, agree to the substitution of a member of the Group, as defined in Condition 3, as principal debtor or guarantor, as the case may be, under any Notes in place of itself, in the circumstances described in Condition 17 of the conditions of the Notes.
Ratings:	The ratings assigned to each Tranche of Notes to be issued under the Programme will be specified in the applicable Final Terms. The Programme has been assigned ratings of A+ by Fitch Ratings Ltd. and A3 by Moody's Investors Service Limited. 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. Whether or not each credit rating applied for in relation to the relevant Series 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 Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued or endorsed by a credit rating agency established in the European Union and registered under the CRA Regulation (or is endorsed and published or distributed by subscription by such a credit rating agency in accordance with the CRA Regulation). The list of registered and certified rating agencies published by the European Securities and Markets Authority (ESMA) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.
Listing and admission to trading:	Application has been made to the CSSF to approve this document as a base prospectus. The CSSF assumes no responsibility as to the economic and financial soundness of the Programme or in respect of the quality or solvency of ENBD or EGF pursuant to Article 7(7) of the Luxembourg Law. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the relevant Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued. The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

Governing Law and jurisdiction:	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law. The Programme Agreement, the Agency Agreement, the Deed of Covenant, the Guarantee and any non-contractual obligations arising out of, relating to or having any connection with the Programme Agreement, the Agency Agreement, the Deed of Covenant and the Guarantee will be governed by, and shall be construed in accordance with, English law. In respect of any dispute, claim, difference or controversy under any such Programme Agreement, Agency Agreement, Deed of Covenant and Guarantee to which it is a party, the Issuers and the Guarantor have each consented to arbitration in accordance with the LCIA Arbitration Rules unless any Issuer or Dealer (in the case of the Programme Agreement) elects to have the dispute, claim, difference or controversy resolved by a court, in which case the English courts will have exclusive jurisdiction to settle such dispute.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area, (including the United Kingdom, the Republic of Italy and France), Hong Kong, the People's Republic of China, Japan, the Dubai International Financial Centre, the Kingdom of Saudi Arabia, the UAE and the Cayman Islands 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*'').
United States Selling Restrictions:	Regulation S, Category 2. TEFRA C or TEFRA D or TEFRA not applicable, as specified in the applicable Final Terms.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons and talons attached, or registered form, without interest coupons attached. Notes will be issued outside the United States in reliance on Regulation S under the Securities Act (''**Regulation S**'').

Bearer Notes

Each Tranche of Bearer Notes will initially be issued in the form of a temporary global note (a ''**Temporary Bearer Global Note**'') or, if so specified in the applicable Final Terms, a permanent Global Note (a ''**Permanent Bearer Global Note**'') which, in either case, will be delivered on or prior to the original issue date of the Tranche (as defined under ''*Terms and Conditions of the Notes*'') to a common depositary (the ''**Common Depositary**'') for Euroclear Bank S.A./N.V. (''**Euroclear**'') and Clearstream Banking, *société anonyme* (''**Clearstream, Luxembourg**''). Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Bearer Notes due prior to the Exchange Date (as defined below) 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 interests in 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 Principal Paying Agent.

On and after the date (the ''**Exchange Date**'') which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a Permanent Bearer Global Note of the same Series or (b) for definitive Bearer Notes of the same Series with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described above 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, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts 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 Bearer Global Note without any requirement for certification.

The applicable Final Terms will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, receipts, interest coupons and talons attached upon either (a) not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Principal Paying Agent as described therein or (b) only upon the occurrence of an Exchange Event. For these purposes, ''**Exchange Event**'' means that (i) an Event of Default (as defined in Condition 9) has occurred and is continuing, (ii) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Bearer Notes represented by the Permanent Bearer Global Note in definitive form. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 13 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the relevant Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

The following legend will appear on all Bearer Notes which have an original maturity of more than 365 days and on all receipts and interest coupons and talons relating to such Bearer Notes:

''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.''

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 such Bearer Notes, receipts or interest coupons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Registered Notes

Each Tranche of Registered Notes will initially be represented by a global note in registered form (a ''**Registered Global Note**''). Registered Global Notes will be deposited with the Common Depositary and registered in the name of its nominee. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 5(d)) as the registered holder of the Registered Global Notes. None of the relevant Obligors, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries 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, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 5(d)) immediately preceding the due date for payment in the manner provided in that Condition.

Payments of principal, interest or any other amount in respect of the Registered Global Note will be made to the persons shown on the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the ''**Record Date**'') where ''**Clearing System Business Day**'' means a day on which each clearing system for which the Registered Global Note is being held is open for business.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes only upon the occurrence of an Exchange Event. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 13 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

General

Pursuant to the Agency Agreement (as defined under ''*Terms and Conditions of the Notes*''), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the 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 (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the relevant Issuer and the Principal Paying Agent.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 9. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then the Global Note will become void at 8.00 p.m. (London time) on such day. At the same time, holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the relevant Issuer(s) on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of a deed of covenant (the ''**Deed of Covenant**'') dated 22 December 2011 and executed by ENBD and EGF.

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

[Date]

[EMIRATES NBD PJSC]

[EMIRATES NBD GLOBAL FUNDING LIMITED]

Issue of [*Aggregate Nominal Amount of Tranche*] [*Title of Notes*]
[Guaranteed by the Guarantor]
under the U.S.$7,500,000,000

EURO 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 Base Prospectus dated [●] [and the supplement[s] to the Base Prospectus dated [●] [and [●]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the Prospectus Directive) as amended (which includes the amendments made by Directive 2010/73/EU (the 2010 PD Amending Directive) to the extent that such amendments have been implemented in a Relevant Member State. This document contains 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 the Base Prospectus[, as so supplemented]. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus[, as so supplemented]. The Base Prospectus [and the supplement[s] to the Base Prospectus] [is/are] available for viewing at [address] and [website] and copies may be obtained from [address].

[*The following alternative language applies if the first Tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the ''**Conditions**'') set forth in the Base Prospectus dated [●], which are incorporated by reference in the Base Prospectus dated [●] and are attached hereto. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the Prospectus Directive) as amended (which includes the amendments made by Directive 2010/73/EU (the 2010 PD Amending Directive) to the extent that such amendments have been implemented in a Relevant Member State and must be read in conjunction with the Base Prospectus dated [●] [and the supplement[s] to the Base Prospectus dated [●] [and [●]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus dated [●] [, as so supplemented,] and [original date]. Copies of the Base Prospectus [and the supplement[s] to the Base Prospectuses] are available for viewing at [address] [and] [website] and copies may be obtained from [address].

[*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 subparagraphs. Italics denote directions for completing the Final Terms.*]

[*When 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 Base Prospectus under Article 16 of the Prospectus Directive.*]

[*If Notes issued by either of ENBD or EGF have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.*]

1.	(a)	Issuer:	[Emirates NBD PJSC]/ [Emirates NBD Global Funding Limited]

	(b)	Guarantor:	[Not Applicable]/ [Emirates NBD PJSC]
2.	(a)	Series Number:	[●]
	(b)	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:	
	(a)	Series:	[●]
	(b)	Tranche:	[●]
5.		Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (*if applicable*)
6.	(a)	Specified Denominations:	[●] *(N.B. Following the entry into force of the 2010 PD Amending Directive on 31 December 2010, Notes to be admitted to trading on a regulated market within the European Economic Area with a maturity date which will fall after the implementation date of the 2010 PD Amending Directive in the relevant European Economic Area Member State (which is due to be no later than 1 July 2012) must have a minimum denomination of €100,000 (or equivalent) in order to benefit from Transparency Directive exemptions in respect of wholesale securities. Similarly Notes issued after the implementation of the 2010 PD Amending Directive in a Member State must have a minimum denomination of €100,000 (or equivalent) in order to benefit from the wholesale exemption set out in Article 3.2(d) of the Prospectus Directive in that Member State.)*
		(*in the case of Registered Notes, this means the minimum integral amount in which transfers can be made*)	[●] (*N.B. – where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed*: ''*[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€●]. No Notes in definitive form will be issued with a denomination above [€●].*'') (*N.B. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the €100,000 minimum denomination is not required.*)
	(b)	Calculation Amount:	(*If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.*)
7.	(a)	Issue Date:	[●]
	(b)	Interest Commencement Date:	[●]

8.	Maturity Date:	[Fixed rate – specify date/Floating rate – Interest Payment Date falling in or nearest to [*specify month*]]
9.	Interest Basis:	[[●] per cent. Fixed Rate] [[LIBOR/EURIBOR] +/-[●] percent. Floating Rate] [Zero Coupon] [Index Linked Interest] [Dual Currency Interest] [*specify other*] (further particulars specified below)
10.	Redemption/Payment Basis:	[Redemption at par] [Index Linked Redemption] [Dual Currency Redemption] [Partly Paid] [Instalment] [*specify other*] (*N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply*)
11.	Change of Interest Basis or Redemption/ Payment Basis:	[*Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis*]
12.	Put/Call Options:	[Investor Put/Not Applicable] [Issuer Call/Not Applicable] [(further particulars specified below)]
13.	(a) Status of the Notes:	[Senior/Subordinated]
	(b) [Status of the Guarantee]:	[Senior/Subordinated]
	(c) [Date [Board/Shareholder] approval for issuance of Notes obtained:	[●]]
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 subparagraphs of this paragraph*)
	(a) Rate(s) of Interest:	[●] per cent. per annum [payable [annually/ semiannually/quarterly/monthly/*specify other*] in arrear] (*If payable other than annually, consider amending Condition 4*)
	(b) Interest Payment Date(s):	[[●] in each year up to and including the Maturity Date]/[*specify other*] (*NB: This will need to be amended in the case of long or short coupons*)
	(c) Fixed Coupon Amount(s):	[●] per Calculation Amount
	(d) Broken Amount(s):	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]
	(e) Day Count Fraction:	[30/360 or Actual/Actual (ICMA) or [*specify other*]]
	(f) Determination Date(s):	[●] in each year [*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.*]

		NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration. *NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA)]*
	(g) Other terms relating to the method of calculating interest for Fixed Rate Notes:	[None/*Give details*]
16.	Floating Rate Note Provisions	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(a) Specified Period(s)/Specified Interest Payment Dates:	[●]
	(b) First Interest Payment Date:	[●]
	(c) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ [*specify other*]]
	(d) Additional Business Centre(s):	[●]
	(e) Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination/ *specify other*]
	(f) Party responsible for calculating the Rate of Interest and/or Interest Amount (if not the Principal Paying Agent):	[●]
	(g) Screen Rate Determination:	
	● Reference Rate:	[●] (*Either LIBOR, EURIBOR or other, although additional information is required if other including fallback provisions in the Agency Agreement*)
	● Interest Determination Date(s):	[●] (*Second day on which commercial banks are open for business (including dealings in foreign Exchange and foreign currency deposits) in London prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR*)
	● Relevant Screen Page:	[●] (*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
	(h) ISDA Determination:	
	● Floating Rate Option:	[●]
	● Designated Maturity:	[●]
	● Reset Date:	[●]
	(i) Margin(s):	[+/-] [●] per cent. per annum
	(j) Minimum Rate of Interest:	[●] per cent. per annum
	(k) Maximum Rate of Interest:	[●] per cent. per annum

	(l) Day Count Fraction:	[Actual/Actual (ISDA) Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 30/360 30E/360 30E/360 (ISDA) [*specify other*] (*See Condition 4 for alternatives*)
	(m) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
17.	Zero Coupon Note Provisions	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(a) Accrual Yield:	[●] per cent. per annum
	(b) Reference Price:	[●]
	(c) Any other formula/basis of determining amount payable:	[●]
	(d) Day Count Fraction in relation to Early Redemption Amounts and late payment:	[Conditions 6(e)(iii) and 6(j) apply/[*specify other*]] (*Consider applicable day count fraction if not U.S. dollar denominated*)
18.	Index Linked Note Provisions	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*) (*N.B. If the Final Redemption Amount is other than WO per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.*)
	(a) Index/Formula:	[*Give or annex details*]
	(b) Calculation Agent:	[*Insert name and address*]
	(c) Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Agent):	[●]
	(d) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[*Need to include a description of market disruption or settlement disruption events and adjustment provisions*]
	(e) Specified Period(s)/Specified Interest Payment Dates:	[●]
	(f) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ *specify other*]
	(g) Additional Business Centre(s):	[●]
	(h) Minimum Rate of Interest:	[●] per cent. per annum
	(i) Maximum Rate of Interest:	[●] per cent. per annum
	(j) Day Count Fraction:	[●]
19.	Dual Currency Note Provisions	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)

(*N.B. If the Final Redemption Amount is other than WO per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply*.)

(a) Rate of Exchange/method of calculating Rate of Exchange: [*Give or annex details*]

(b) Party, if any, responsible for calculating the principal and/or interest due (if not the Agent): [*Insert name and address*]

(c) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [*Need to include a description of market disruption or settlement disruption events and adjustment provisions*]

(d) Person at whose option Specified Currency(ies) is/are payable: [●]

PROVISIONS RELATING TO REDEMPTION

20. Issuer Call: [Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)

(a) Optional Redemption Date(s): [●]

(b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[●] per Calculation Amount/*specify other*/see Appendix]

(c) If redeemable in part:

(i) Minimum Redemption Amount: [●] per Calculation Amount

(ii) Maximum Redemption Amount: [●] per Calculation Amount

(d) Notice period (if other than as set out in the Conditions): [●]
(*N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent*)

21. Investor Put: [Applicable/Not Applicable]
(*If not applicable, delete the remaining subparagraphs of this paragraph*)

(a) Optional Redemption Date(s): [●]

(b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[●] per Calculation Amount/*specify other*/see Appendix]

(c) Notice period (if other than as set out in the Conditions): [●]
(*N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of Distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent*)

22. Final Redemption Amount: [[●] per Calculation Amount/specify other/see Appendix]
(N*.B. If the Final Redemption Amount is other than WO per cent. of the nominal value the Notes will be*

		derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)
23.	Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of Calculating the same (if required or if Different from that set out in Condition 6(e)):	[●]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24.	Form of Notes:	[Bearer Notes: [Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event]] [Temporary Bearer Global Note exchangeable for Definitive Bearer Notes on and after the Exchange Date] [Permanent Bearer Global Note exchangeable for Definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event]]] [Registered Notes: Registered Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg] (*N.B. Ensure that this is consistent with the wording in the ''Form of the Notes'' section in the Base Prospectus and the Notes themselves. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: ''[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€●].'' Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Bearer Note exchangeable for Definitive Bearer Notes.*)
25.	Additional Financial Centre(s) or other Special provisions relating to Payment Dates:	[Not Applicable/*give details*] (*Note that this item relates to the place of payment and not Interest Period end dates to which items 16(c) and 18(f) relate*)
26.	Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (and dates on which such Talons mature):	[Yes/No. *If yes, give details*]
27.	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 of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	[Not Applicable/*give details*] [*NB: a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues*]

28.	Details relating to Instalment Notes:	
	[(a) Instalment Amount(s):	[Not Applicable/*give details*]
	[(b) Instalment Date(s):	[Not Applicable/*give details*]
29.	Redenomination:	Not Applicable
30.	Other final terms:	[Not Applicable/*give details*] (*When adding any other final terms consideration should be given as to whether such terms constitute ''significant new factors'' and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.*)

DISTRIBUTION

31.	(a) If syndicated, names of Managers:	[Not Applicable/*give names*] (*If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, include names of entities agreeing to underwrite the issue on a firm commitment basis and names of the entities agreeing to place the issue without a firm commitment or on a ''best efforts '' basis if such entities are not the same as the Managers.*)
	(b) Date of [Subscription] Agreement:	[●] (*The above is only relevant if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.*)
	(c) Stabilising Manager (if any):	[Not Applicable/*give name*]
32.	If non syndicated, name of relevant Dealer:	[●]
33.	U.S. Selling Restrictions:	[Reg S Compliance Category (Reg S Category 2); TEFRA D/TEFRA C/TEFRA not applicable]
34.	Additional selling restrictions:	[Not Applicable/*give details*]
35.	RMB Currency Event	[Applicable/Not Applicable]

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading on the Bourse de Luxembourg the issue of Notes described herein pursuant to the U.S.$7,500,000,000 Euro Medium Term Note Programme of Emirates NBD PJSC and Emirates NBD Global Funding Limited.

RESPONSIBILITY

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. [[●] has been extracted from [ ]. The Issuer [and the Guarantor] confirm[s] that such information has been accurately reproduced and that, so far as [each of] the Issuer [and the Guarantor] is aware and 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 [name of Issuer]:

By: .....
Duly authorised

[Signed on behalf of Emirates NBD PJSC as Guarantor:

By: .....
Duly authorised]

PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING**

(a)	Listing:	[Luxembourg/*specify other*/None]
(b)	Admission to trading:	[Application has been made for the Notes to be admitted to trading on [●] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) 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.*)
(c)	Estimate of total expenses related to admission to trading:	[●]

2. **RATINGS**

[The Notes to be issued [[have been]/[are expected to be]] rated [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies)*].]

(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.)

[[*Insert the legal name of the relevant credit rating agency entity*] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). As such [*insert the legal name of the relevant credit rating agency entity*] is included in the list of credit ratings agencies published by the European Securities and Markers Authority on its website in accordance with such Regulation.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended). [*Insert the legal name of the relevant non-EU credit rating agency entity*] is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/3009 (as amended) (the **CRA Regulation**). However, the application for registration under the CRA Regulation of [*insert the legal name of the relevant EU credit rating agency entity that applied for registration*], which is established in the European Union and is registered under the CRA Regulation (and, as such is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation), disclosed the intention to endorse credit ratings of [*insert the legal name of the relevant non-EU credit rating agency entity*]. While notification of the

corresponding final endorsement decision has not yet been provided by the relevant competent authority, the European Securities and Markets Authority has indicated that ratings issued in third countries may continue to be used in the EU by relevant marker participants for a transitional period ending on 31 January 2012 (which may be extended to 30 April 2012).]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). The ratings [[have been]/[are expected to be]] endorsed by [*insert the legal name of the relevant EU-registered credit rating agency entity*] in accordance with CRA Regulation.]

[[*Insert the legal name of the relevant EU-registered credit rating agency entity*] is established in the European Union and registered under the CRA Regulation. As such [*insert the legal name of the relevant EU credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) but it [is]/[has applied to be] certified in accordance with the CRA Regulation although notification of the corresponding certification decision has not yet been provided by the relevant competent authority and [*insert the legal name of the relevant non-EU credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]

[[*Insert legal name of the relevant credit rating agency*] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority and [*insert the legal name of the relevant credit rating agency*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). However, the application for registration under the CRA Regulation of [*Insert the legal name of the relevant EU credit rating agency entity that applied for registration*], which is established in the European Union, disclosed the

intention to endorse credit ratings of [*insert the legal name do the relevant non-EU credit rating agency entity*], although notification of the corresponding registration decision has not yet been provided by the relevant competent authority and [*insert the legal name of the relevant EU credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markers Authority on its website in accordance with the CRA Regulation.]

3. NOTIFICATION

The *Commission de Surveillance du Secteur Financier* [has been requested to provide/has provided – [*include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues*] the [*names of competent authorities of host Member States*] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[*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 for any fees payable to the [Dealer/Managers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. – *Amend as appropriate if there are other interests*]

[(*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 Offering Circular under Article 16 of the Prospectus Directive.*)]

5. [REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(*Derivative securities to which Annex XII of the Prospectus Directive Regulation applies only*)

[(a) Reasons for the offer	[●] (*See ''Use of Proceeds'' wording in Base Prospectus if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.*)]
[(b)] Estimated net proceeds:	[●]
[(c)] Estimated total expenses:	[●] (*N.B.: (a) above is required where the reasons for the offer are different from making profit and/or hedging certain risks regardless of the minimum denomination of the securities and where this is the case disclosure of net proceeds and total expenses at (b) and (c) above are also required.*)]
6. **YIELD (***Fixed Rate Notes only*)	[●] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

7. **PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING** (*Index-Linked Notes only*)

[*Need to include details of where past and future performance and volatility of the index/formula 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.*]

[*Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.*]

[*When completing the above paragraphs, consideration should be given as to whether such matters described constitute ''significant new factors'' and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.*]

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information].

[*N.B. This paragraph 7 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.*]

8. **PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT** (*Dual Currency Notes only*)

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

[*When completing this paragraph, consideration should be given as to whether such matters described constitute ''significant new factors'' and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.*]

[*N. B. This paragraph 8 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.*]

9. **[DERIVATIVE SECURITIES]**

(*Derivative securities to which Annex XII of the Prospectus Directive Regulation applies only. Other information concerning the Notes to be admitted to trading*)

(a)	Name of the issuer of the underlying security:	[●]
(b)	ISIN Code of the underlying security:	[●]
(c)	Relevant weightings of each underlying in the basket:	[●]
(d)	Adjustment rules in relation to events concerning the underlying:	[●]
(e)	Source of information in relation to the underlying [Index]/[Indices] can be obtained:	[●]
(f)	Underlying interest rate:	[●]
(g)	Details of any market disruption/ settlement disruption events affecting the underlying:	[●]
(h)	Exercise price/final reference price of the underlying:	[●]
(i)	Details of settlement procedure of derivative securities:	[●]
(j)	Details of how any return on derivative securities takes place, payment or delivery date, and the manner of calculation:	[●]

10. **OPERATIONAL INFORMATION**

(a)	ISIN Code:	[●]
(b)	Common Code:	[●]

(c)	Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)*]
(d)	Delivery:	Delivery [against/free of] payment
(e)	Names and addresses of additional Paying Agent(s)(if any):	[●]

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the relevant Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. 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 Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to ''*Form of the Notes*'' for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by Emirates NBD PJSC (''**ENBD**'') or Emirates NBD Global Funding Limited (''**EGF**'' and together with ENBD in its capacity as Issuer, the ''**Issuers**'' and each an ''**Issuer**'') pursuant to the Agency Agreement (as defined below).

References herein to the ''**Notes**'' shall be references to the Notes of this Series and shall mean:

(i) in relation to any Notes represented by a global Note (a ''**Global Note**''), units of each Specified Denomination in the Specified Currency;

(ii) any Global Note;

(iii) any definitive Notes in bearer form (''**Bearer Notes**'') issued in exchange for a Global Note in bearer form; and

(iv) any definitive Notes in registered form (''**Registered Notes**'') (whether or not issued in exchange for a Global Note in registered form).

References herein to the ''relevant Issuer'' shall be to the Issuer of the Notes named as such in the applicable Final Terms.

The payment of all amounts in respect of the Notes, Receipts (as defined below) and Coupons (as defined below) issued by EGF have been guaranteed by ENBD (in such capacity the ''**Guarantor**'') pursuant to a guarantee (the ''**Guarantee**'') dated 22 December 2011 and executed by the Guarantor. The original Guarantee is held by the Agent on behalf of the Noteholders, the Receiptholders and the Couponholders at its specified office. References to the ''**relevant Obligor(s)** '' shall, in the case of any issue of Notes, mean the relevant Issuer and, if the relevant Issuer is EGF, the Guarantor.

The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an amended and restated Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the ''**Agency Agreement**'') dated 22 December 2011 and made between the ENBD, EGF, Deutsche Bank AG, London Branch in its capacity as issuing and principal paying agent and agent bank (the ''**Principal Paying Agent**'', which expression shall include any successor such agent) and the other paying agents named therein (together with the Principal Paying Agent, the ''**Paying Agents**'', which expression shall include any additional or successor paying agents) and Deutsche Bank Luxembourg S.A. in its capacity as registrar (the ''**Registrar**'', which expression shall include any successor registrar) and a transfer agent and the other transfer agents named therein (together with the Registrar, the ''**Transfer Agents**'', which expression shall include any additional or successor transfer agents).

Interest bearing definitive Bearer Notes 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 have receipts (''**Receipts**'') for the payment of the instalments of principal (other than the final instalment) attached on issue. Registered Notes and Global Notes do not have Receipts, Coupons or Talons attached on issue.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which supplement these Terms and Conditions (the ''**Conditions**'') and may specify other terms and conditions which shall, to the extent so specified

or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Note.

References to the ''applicable Final Terms'' are to the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

Any reference to ''Noteholders'' or ''holders'' in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered 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.

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) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Noteholders, the Receiptholders and the Couponholders are entitled to the benefit of the Deed of Covenant (the ''**Deed of Covenant**'') dated 22 December 2011 and made by ENBD and EGF. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

Copies of the Agency Agreement, the Guarantee and the Deed of Covenant are obtainable during normal business hours at the specified office of the Principal Paying Agent, the Registrar and each of the other Paying Agents and Transfer Agent (such Agents and the Registrar being together referred to as the ''**Agents**''). Copies of the applicable Final Terms may be obtained, upon request, free of charge, from the registered office of ENBD and the specified offices of the Paying Agents save that, if this Note is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the relevant Issuer and the relevant Paying Agent as to its holding of such Notes and identity. If this Note is admitted to trading on the Luxembourg Stock Exchange's regulated market, the applicable Final Terms will also be available for viewing on the website of the Luxembourg Stock Exchange at www.bourse.lu. 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 Agency Agreement, the Guarantee and the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

1. FORM, DENOMINATION, TITLE AND TRANSFER OF REGISTERED NOTES

(a) *Form and denomination*

The Notes are in bearer form or in registered form as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, a Dual Currency Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

This Note may be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Redemption Note, a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Final Terms.

This Note is a Senior Note or a Subordinated Note depending upon the Status specified in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

(b) ***Title***

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 registration of transfers in accordance with the provisions of the Agency Agreement. Each relevant Obligor and the Agents will (except as otherwise required by law) 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.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank S.A./N.V. (''**Euroclear**'') and/or Clearstream Banking, *société anonyme* (''**Clearstream, Luxembourg**''), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg 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 as to the nominal amount of such 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 each relevant Obligor and the Agents 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 such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note, as the case may be, shall be treated by each relevant Obligor and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions ''**Noteholder**'' and ''**holder of Notes**'' and related expressions shall be construed accordingly.

(c) ***Transfer of interests in Global Notes***

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 and Clearstream, Luxembourg, as the case may be.

(d) ***Transfer of Registered Notes in definitive form***

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). In order to effect any such transfer (i) the holder or holders must (A) surrender 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 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 (B) complete and deposit such other certifications as may be required by the relevant Transfer Agent and (ii) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the relevant Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 7 to the Agency Agreement). Subject as provided above, 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 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 uninsured 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.

(e) ***Registration of transfer upon partial redemption***

In the event of a partial redemption of Notes under Condition 6, the relevant Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(f) ***Costs of registration***

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the relevant 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.

(g) ***Other***

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the relevant Issuer and the Principal Paying Agent.

2. STATUS OF THE NOTES AND THE GUARANTEE

2.1 Status of the Notes

(a) ***Status of the Senior Notes***

The Senior Notes and any relative Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the relevant Issuer and rank *pari passu* among themselves and at least *pari passu* with the claims of the relevant Issuer's other unsecured and unsubordinated creditors save those whose claims are preferred solely by any bankruptcy, insolvency, liquidation or other similar laws of general application.

(b) ***Status of the Subordinated Notes***

The Subordinated Notes and any relative Receipts and Coupons are direct, conditional as described below and unsecured obligations of the relevant Issuer and rank *pari passu* among themselves.

The payment obligations of the relevant Issuer in respect of the Subordinated Notes (whether on account of principal, interest or otherwise) will be subordinated to all unsubordinated payment obligations of the relevant Issuer in the manner described below but will rank *pari passu* with all other subordinated payment obligations of the relevant Issuer which do not rank or are not expressed by their terms to rank junior to the payment obligations under the Subordinated Notes and in priority to all claims of shareholders of the relevant Issuer. The rights of the holders of Subordinated Notes against the relevant Issuer are subordinated in right of payment to the claims of all Senior Creditors of the relevant Issuer and accordingly payments in respect of the Subordinated Notes (whether on account of principal, interest or otherwise) by the relevant Issuer are conditional upon the relevant Issuer being solvent at the time of such payment and no payment shall be payable by the relevant Issuer in respect of the Subordinated Notes except to the extent that the relevant Issuer could make such payment and still be solvent immediately thereafter. For this purpose the relevant Issuer shall be solvent if (i) it is able to pay its debts as they fall due and (ii) its Assets exceed its Liabilities, and, in this Condition 2.1(b) the following expressions shall have the following meanings:

''**Assets**'' means the unconsolidated gross assets of the relevant Issuer as shown in the latest published audited balance sheet of the relevant Issuer, but adjusted for subsequent events in such manner as the directors of the relevant Issuer, the auditors of the relevant Issuer or (if a bankruptcy trustee (or any equivalent insolvency practitioner) has been appointed in respect of the relevant Issuer a bankruptcy trustee (or such equivalent insolvency practitioner) may determine;

''**Liabilities**'' means the unconsolidated gross liabilities of the relevant Issuer as shown in the latest published audited balance sheet of the relevant Issuer, but adjusted for contingent liabilities and for subsequent events in such manner as the directors of the relevant Issuer, the auditors of the relevant Issuer or (if a bankruptcy trustee (or any equivalent insolvency practitioner) has been appointed in respect of the relevant Issuer) a bankruptcy trustee (or such equivalent insolvency practitioner) may determine; and

''**Senior Creditors**'' shall mean creditors of the relevant Issuer (including depositors) other than creditors in respect of indebtedness where, by the terms of such indebtedness, the claims of the holders of that indebtedness rank or are expressed to rank *pari passu* with, or junior to, the claims of the holders of Subordinated Notes issued by the relevant Issuer.

Each holder of a Subordinated Note unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Note. No collateral is or will be given for the payment obligations under the Subordinated Notes and any collateral that may have been or may in the future be given in connection with other indebtedness of an Issuer shall not secure the payment obligations under any Subordinated Notes issued by that Issuer.

2.2 Status of the Guarantee

(a) ***Status of the Guarantee in respect of Senior Notes***

The payment of principal and interest in respect of the Senior Notes issued by EGF and all other moneys payable by EGF in relation to the issue by it of Senior Notes under or pursuant to the these Conditions has been unconditionally and irrevocably guaranteed by the Guarantor under the Guarantee. The obligations of the Guarantor under the Guarantee in respect of the Senior Notes issued by EGF are direct, unconditional, unsubordinated and (subject to the provisions of Clause 5 of the Guarantee) unsecured obligations of the Guarantor and rank *pari passu* among themselves and at least *pari passu* with the claims of the Guarantor's other unsecured and unsubordinated creditors save those whose claims are preferred solely by any bankruptcy, insolvency, liquidation or other similar laws of general application.

(b) ***Status of the Guarantee in respect of Subordinated Notes***

The payment of principal and interest in respect of the Subordinated Notes issued by EGF and all other moneys payable by EGF in relation to the issue of Subordinated Notes under or pursuant to these Conditions has been guaranteed by the Guarantor under the Guarantee. The obligations of the Guarantor under the Guarantee in respect of the Subordinated Notes issued by EGF are direct, conditional as described below and unsecured obligations of the Guarantor and rank *pari passu* among themselves.

The payment obligations of the Guarantor under the Guarantee in respect of Subordinated Notes issued by EGF will be subordinated to all unsubordinated payment obligations of the Guarantor in the manner described below but will rank *pari passu* with all other subordinated payment obligations of the Guarantor which do not rank or are not expressed by their terms to rank junior to the payment obligations of the Guarantor under the Guarantee in respect of Subordinated Notes issued by EGF and in priority to all claims of shareholders of the Guarantor. The rights of the holders of Subordinated Notes issued by EGF against the Guarantor under the Guarantee in respect of Subordinated Notes issued by EGF are subordinated in right of payment to the claims of all Senior Creditors of the Guarantor and accordingly payments under the Guarantee in respect of Subordinated Notes issued by EGF by the Guarantor are conditional upon the Guarantor being solvent at the time of such payment and no payment shall be payable by the Guarantor in respect of the Guarantee of Subordinated Notes issued by EGF except to the extent that the Guarantor could make such payment and still be solvent immediately thereafter. For this purpose the Guarantor shall be solvent if (i) it is able to pay its debts as they fall due and (ii) its Assets exceed its Liabilities, and, in this Condition 2.2(b) the following expressions shall have the following meanings:

''**Assets**'' means the unconsolidated gross assets of the Guarantor as shown in the latest published audited balance sheet of the Guarantor, but adjusted for subsequent events in such manner as the directors of the Guarantor, the auditors of the Guarantor or (if a bankruptcy trustee (or any equivalent insolvency practitioner) has been appointed in respect of the Guarantor) a bankruptcy trustee (or such equivalent insolvency practitioner) may determine;

''**Liabilities**'' means the unconsolidated gross liabilities of the Guarantor as shown in the latest published audited balance sheet of the Guarantor, but adjusted for contingent liabilities and for subsequent events in such manner as the directors of the Guarantor, the auditors of the Guarantor or (if a bankruptcy trustee (or any equivalent insolvency practitioner) has been appointed in respect of the Guarantor) a bankruptcy trustee (or such equivalent insolvency practitioner) may determine; and

''**Senior Creditors**'' shall mean creditors of the Guarantor (including depositors) other than creditors in respect of indebtedness where, by the terms of such indebtedness, the claims of the holders of that indebtedness rank or are expressed to rank *pari passu* with, or junior to, the claims of the holders of Subordinated Notes issued by EGF under the Guarantee.

Each holder of a Subordinated Note unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of the Guarantee of such Note. No collateral is or will be given for the payment obligations under the Guarantee of the Subordinated Notes and any collateral that may have been or may in the future be given in connection with other indebtedness of the Guarantor shall not secure the payment obligations of the Guarantor under the Guarantee of Subordinated Notes issued by EGF.

3. NEGATIVE PLEDGE

This Condition 3 only applies to Senior Notes.

Save as may otherwise be permitted under these Conditions, so long as any of the Notes remains outstanding (as defined in the Agency Agreement), the relevant Issuer will ensure that no indebtedness of it or any of its Relevant Subsidiaries will be subject to any Encumbrance, other than a Permitted Encumbrance, upon, or with respect to, any of the present or future business, undertaking, assets or revenues (including any uncalled capital) of it or any of its Relevant Subsidiaries unless that relevant Issuer shall, in the case of the creation of the Encumbrance, before or at the same time and, in any other case, promptly, take any and all action necessary to ensure that:

(i) all amounts payable by it under the Notes and the Coupons are secured by the Encumbrance equally and rateably with the indebtedness; or

(ii) such other Encumbrance or other arrangement (whether or not it includes the giving of a Encumbrance) is provided as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

For the purposes of these Conditions:

''**Auditors**'' means a firm of independent auditors of good repute appointed by ENBD.

''**Encumbrance**'' means (i) a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person, (ii) any arrangement under which money or claims to, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person or (iii) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect.

''**Group**'' means the relevant Issuer, its holding company (if any) and the Subsidiaries of the relevant Issuer or any such holding company for the time being.

''**Permitted Encumbrance**'' means:

(i) any Encumbrance arising in the ordinary course of banking transactions including, without limitation, sale and repurchase transactions and share, loan and bond lending transactions, **provided that** any such Encumbrance is limited to the assets which are the subject of the relevant transaction;

(ii) any Encumbrance in respect of any indebtedness, **provided that** the aggregate outstanding amount secured thereby shall not at any time exceed an amount equal to 10 per cent., of the aggregate of the share capital and reserves of the relevant Issuer and its Relevant Subsidiaries, as provided in its most recent audited accounts;

(iii) any Encumbrance created or outstanding with the prior approval by an Extraordinary Resolution of the Noteholders; or

(iv) any lien arising by operation of law and in the normal course of business, if such lien is discharged within thirty days of arising.

''**Relevant Subsidiary**'' shall mean a company or corporation:

(i) 75 per cent. or more of the issued capital of which is beneficially owned, directly or indirectly, by the relevant Issuer; and

(ii) the book value of the assets of which exceeds five per cent. of the book value of the assets of the Group taken as a whole or the revenues of which exceed five per cent. of the revenues of the Group taken as a whole and, for these purposes:

(A) the book value of the assets and the revenues of such company or corporation shall be determined by reference to its then most recent audited annual financial statements (or, if none, its then most recent management accounts); and

(B) the book value of the assets and the revenues of the Group shall be determined by reference to its then most recent audited annual consolidated financial statements,

in each case adjusted, as the Auditors may consider appropriate, to take account of any changes in circumstances since the date as of which such financial statements (or management accounts) were prepared.

A report of the Auditors that in their opinion a company or corporation is or is not or was or was not at any particular time or throughout any specified period a Relevant Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

4. INTEREST

(a) ***Interest on Fixed Rate Notes***

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, ''**Fixed Interest Period**'' means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

(B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount, and, in each case, multiplying such sum by the applicable Day Count Fraction,

and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such subunit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate

Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

''**Day Count Fraction**'' means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

(i) if ''Actual/Actual (ICMA)'' is specified in the applicable Final Terms:

(A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the ''**Accrual Period**'') is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

(B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(ii) if ''30/360'' is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360; and

(iii) if ''Actual/365 (Fixed)'' is specified in the applicable Final Terms, the actual number of days in the Interest Period is divided by 365.

In the Conditions:

''**Determination Period**'' means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

''**sub-unit**'' means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

(b) ***Interest on Floating Rate Notes and Index Linked Interest Notes***

(i) *Interest Payment Dates*

Each Floating Rate Note and Index Linked Interest Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

(A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or

(B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an ''**Interest Payment Date**'') which falls the number of

months or other period specified as the Specified 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.

Such interest will be payable in respect of each Interest Period (which expression shall, in the Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date 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 Specified Periods are specified in accordance with Condition 4(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, 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 shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(3) the Modified Following Business Day Convention, such Interest Payment 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 shall be brought forward to the immediately preceding Business Day; or

(4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the Conditions, ''**Business Day**'' means a day which is both:

(A) 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 London, Dubai and any Additional Business Centre specified in the applicable Final Terms; and

(B) either (1) in relation to any sum payable in a Specified Currency other than euro or Renminbi, 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 principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Melbourne and Wellington, respectively), (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real- Time Gross Settlement Express Transfer (TARGET2) System (the ''**TARGET2 System**'') is open or (3) in relation to any sum payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong.

(ii) *Rate of Interest*

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

(A) ISDA Determination for Floating Rate Notes

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 (A), ''**ISDA Rate**'' for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the ''**ISDA Definitions**'') and under which:

(1) the Floating Rate Option is as specified in the applicable Final Terms;

(2) the Designated Maturity is a period specified in the applicable Final Terms; and

(3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate (''**LIBOR**'') or on the Euro-zone inter-bank offered rate (''**EURIBOR**''), 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 (A), ''**Floating Rate**'', ''**Calculation Agent**'', ''**Floating Rate Option**'', ''**Designated Maturity**'' and ''**Reset Date**'' have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(B) Screen Rate Determination for Floating Rate Notes 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:

(1) the offered quotation; or

(2) 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 Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of 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 the Principal Paying 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 in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) 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.

(c) ***Minimum Rate of Interest and/or Maximum Rate of Interest***

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) ***Determination of Rate of Interest and calculation of Interest Amounts***

The Principal Paying Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Interest Notes, 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 for the relevant Interest Period. In the case of Index Linked Interest Notes, the Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Principal Paying Agent will calculate the amount of interest (the ''**Interest Amount**'') payable on the Floating Rate Notes or Index Linked Interest Notes for the relevant Interest Period by applying the Rate of Interest to:

(A) in the case of Floating Rate Notes or Index Linked Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

(B) in the case of Floating Rate Notes or Index Linked Interest Notes in definitive form, the Calculation Amount, and, in each case, multiplying such sum by the applicable Day Count Fraction,

and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such subunit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note or an Index Linked Interest Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

''**Day Count Fraction**'' means, in respect of the calculation of an amount of interest in accordance with this Condition 4(b):

(i) if ''Actual/Actual (ISDA)'' or ''Actual/Actual'' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(ii) if ''Actual/365 (Fixed)'' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(iii) if ''Actual/365 (Sterling)'' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(iv) if ''Actual/360'' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(v) if ''30/360'', ''360/360'' or ''Bond Basis'' is specified in the applicable Final Terms, the number of days in the Interest 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:

''**Y^1**'' is the year, expressed as a number, in which the first day of the Interest Period falls;

''**Y^2**'' is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

''**M^1**'' is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

''**M^2**'' is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

''**D^1**'' is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D^1 will be 30; and

''**D^2**'' is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D^1 is greater than 29, in which case D^2 will be 30;

(vi) if ''30E/360'' or ''Eurobond Basis'' is specified in the applicable Final Terms, the number of days in the Interest 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:

''**Y^1**'' is the year, expressed as a number, in which the first day of the Interest Period falls;

''**Y^2**'' is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

''**M^1**'' is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

''**M^2**'' is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

''**D^1**'' is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D^1 will be 30; and

''**D^2**'' is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D^2 will be 30;

(vii) if ''30E/360 (ISDA)'' is specified in the applicable Final Terms, the number of days in the Interest 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:

''**Y^1**'' is the year, expressed as a number, in which the first day of the Interest Period falls;

''**Y^2**'' is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

''**M^1**'' is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

''**M^2**'' is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

''**D^1**'' is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D^1 will be 30; and

''**D^2**'' is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D^2 will be 30.

(viii) if ''30E/360 (ISDA)'' is specified in the applicable Final Terms, the number of days in the Interest 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:

''**Y^1**'' is the year, expressed as a number, in which the first day of the Interest Period falls;

''**Y^2**'' is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

''**M^1**'' is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

''**M^2**'' is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

''**D^1**'' is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D^1 will be 30; and

''**D^2**'' is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D^2 will be 30.

(e) ***Notification of Rate of Interest and Interest Amounts***

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to each relevant Obligor and any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest 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 fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 13. For the purposes of this paragraph, the expression ''**London Business Day**'' means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(f) ***Certificates to be final***

All certificates, communications, opinions, determinations, *calculations*, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4, whether by the Principal Paying Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on each relevant Obligor, the Principal Paying Agent, the Calculation Agent (if applicable), the other Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to each relevant Obligor, the Noteholders, the Receiptholders or the Couponholders shall attach to the Principal Paying Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(g) ***Interest on Dual Currency Interest Notes***

The rate or amount of interest payable in respect of Dual Currency Interest Notes shall be determined in the manner specified in the applicable Final Terms.

(h) ***Interest on Partly Paid 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.

(i) ***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 until whichever is the earlier of:

(i) the date on which all amounts due in respect of such Note have been paid; and

(ii) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

5. PAYMENTS

(a) ***Method of payment:***

Subject as provided below:

(i) payments in a Specified Currency other than euro or Renminbi will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Melbourne and Wellington, respectively);

(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; and

(iii) payments in Renminbi will be made by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

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 definitive Bearer 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 Condition 5(a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) 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 presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside 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)).

Payments of instalments of principal (if any) in respect of definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in Condition 5(a) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in Condition 5(a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the definitive Bearer Note to which it appertains. Receipts presented without the definitive Bearer Note to which they

appertain do not constitute valid obligations of the relevant Issuer. Upon the date on which any definitive Bearer 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, Index Linked Notes or Long Maturity Notes (as defined below)) 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 10 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, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form 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, Index Linked Note or Long Maturity Note in definitive bearer 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. A ''**Long Maturity Note**'' is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon **provided that** such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

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

(c) ***Payments in respect of Bearer Global Notes***

Payments of principal and interest (if any) in respect of Bearer Notes represented by any Global Note in bearer form (''**Bearer Global Notes**'') 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 Bearer Global Note against presentation or surrender, as the case may be, of such Bearer Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Bearer Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Bearer Global Note by the Paying Agent to which it was presented and such record shall be *prima facie* evidence that the payment in question has been made.

(d) ***Payments in respect of Registered Notes***

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the ''**Register**'') at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if (i) a holder does not have a Designated

Account or (ii) the principal amount of the Notes held by a holder is less than U.S.$250,000 (or its approximate equivalent in any other Specified Currency), payment (in the case of a Specified Currency other than Renminbi) will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, ''**Designated Account**'' means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account and, in the case of a payment in Renminbi, means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment) maintained by a holder with a ''Designated Bank'' and identified as such in the Register and Designated Bank means (in the case of payment in a Specified Currency other than euro or Renminbi) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Melbourne and Wellington, respectively) and (in the case of a payment in euro) any bank which processes payments in euro and (in the case of payment in Renminbi) a bank in Hong Kong.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the fifth day (in the case of Renminbi) and the fifteenth day (in the case of a Specified Currency other than Renminbi, whether or not such fifteenth day is a business day) before the relevant due date (the ''**Record Date**'') at his address shown in the Register on the Record Date and at his risk. Payments of interest and payments of principal (other than the final instalment) in Renminbi shall be made by transfer to the registered account of the Noteholder. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

Neither the relevant Obligors nor the Agents 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.

(e) ***General provisions applicable to payments***

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 each relevant Obligor 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 or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by each relevant Obligor, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

(i) the relevant 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 Bearer Notes in the manner provided above when due;

(ii) payment of the full amount of such principal and 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 each relevant Obligor, adverse tax consequences to each relevant Obligor.

(f) ***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, ''**Payment Day**'' means any day which (subject to Condition 8) is:

(i) 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:

(A) the relevant place of presentation;

(B) London;

(C) Dubai;

(D) any Additional Financial Centre specified in the applicable Final Terms; and

(ii) either (A) in relation to any sum payable in a Specified Currency other than euro or Renminbi, 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 principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, London and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Melbourne and Wellington, respectively), (B) in relation to any sum payable in euro, a day on which the TARGET2 System is open or (C) in relation to any sum payable in Renminbi, a day on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

(g) ***Interpretation of principal and interest***

Any reference in the 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;

(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 Notes redeemable in instalments, the Instalment Amounts;

(vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(e)); and

(vii) any premium and any other amounts (other than interest) which may be payable by any relevant Issuer under or in respect of the Notes.

Any reference in the 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.

(h) ***RMB account***

All payments in respect of any Note, Receipt or Coupon in RMB will be made solely by credit to a registered RMB account maintained by or on behalf of the payee at a bank in Hong Kong in accordance with applicable laws, rules, regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to the settlement of RMB in Hong Kong).

(i) ***RMB Currency Event***

If RMB Currency Event is specified in the applicable Final Terms and a RMB Currency Event, as determined by the relevant Issuer acting in good faith, exists on a date for payment of any principal or interest (in whole or in part) in respect of any Note, Receipt or Coupon, the relevant Issuer's obligation to make a payment in RMB under the terms of the Notes may be replaced by an obligation to pay such amount (in whole or in part) in the Relevant Currency and converted using the Spot Rate for the relevant Determination Date as promptly notified to the Issuer and the Paying Agents.

Upon the occurrence of a RMB Currency Event, the relevant Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 13 stating the occurrence of the RMB Currency Event, giving details thereof and the action proposed to be taken in relation thereto.

In such event, any payment of U.S. dollars will be made by transfer to a U.S. dollar denominated account maintained by the payee with, or by a U.S. dollar denominated cheque drawn on, a bank in New York City; and the definition of ''Payment Day'' in Condition 5(f) shall mean any day which (subject to Condition 8) is 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: (A) in the case of Notes in definitive form only, the relevant place of presentation; and (B) London and New York City.

For the purpose of this Condition and unless stated otherwise in the applicable Final Terms:

''**Determination Business Day**'' means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, London and New York City;

''**Determination Date**'' means the day which is two Determination Business Days before the due date of the relevant payment under the Notes, other than where the relevant Issuer properly determines that a RMB Currency Event has occurred at any time during the period from and including 10:01 a.m. (Hong Kong time) on the second Determination Business Day preceding the original due date to and including 11:59 p.m. (Hong Kong time) on the original due date, in which case the ''**Determination Date**'' will be the Determination Business Day immediately following the date on which the determination of the occurrence of a RMB Currency Event has been made;

''**Governmental Authority**'' means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong;

''**Relevant Currency**'' means United States dollars or such other currency as may be specified in the applicable Final Terms;

''**RMB Currency Events**'' means any one of RMB Illiquidity, RMB Non-Transferability and RMB Inconvertibility;

''**RMB Illiquidity**'' means the general RMB exchange market in Hong Kong becomes illiquid as a result of which the relevant Issuer cannot obtain sufficient RMB in order to satisfy its obligation to pay interest or principal (in whole or in part) in respect of the

Notes, as determined by the relevant Issuer acting in good faith and in a commercially reasonable manner following consultation with two independent foreign exchange dealers of international repute active in the RMB exchange market in Hong Kong;

''**RMB Inconvertibility**'' means the occurrence of any event that makes it impossible for the relevant Issuer to convert any amount due in respect of the Notes into RMB on any payment date in the general RMB exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the relevant Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible for the relevant Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

''**RMB Non-Transferability**'' means the occurrence of any event that makes it impossible for the relevant Issuer to deliver RMB between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong (including where the RMB clearing and settlement system for participating banks in Hong Kong is disrupted or suspended), other than where such impossibility is due solely to the failure of the relevant Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible for the relevant Issuer, due to an event beyond its control, to comply with such law, rule or regulation); and

''**Spot Rate**'' means, unless specified otherwise in the applicable Final Terms, the spot CNY/U.S.$ exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent shall determine the Spot Rate at or around 11:00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/U.S. dollar official fixing rate for settlement in two Determination Business Days reported by the State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(i) by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the relevant Issuer, the Agents and all CNY Noteholders.

6. REDEMPTION AND PURCHASE

(a) ***Redemption at maturity***

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Index Linked Redemption Note and Dual Currency Redemption Note) will be redeemed by the relevant Issuer at its 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.

(b) ***Redemption for tax reasons***

The Notes may (subject, in the case of Subordinated Notes issued by ENBD, to the prior approval of the UAE Central Bank (the ''**Regulator**'', which expression shall include any successor thereto as the relevant regulator of banks in the UAE) where required) be redeemed at the option of the relevant Issuer in whole, but not in part, at any time (if this Note is neither a Floating Rate Note, an Index Linked Interest Note nor a Dual Currency Interest Note) or on any Interest Payment Date (if this Note is either a

Floating Rate Note, an Index Linked Interest Note or a Dual Currency Interest Note), on giving not less than 30 nor more than 60 days' notice to the Principal Paying Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable), if:

(i) on the occasion of the next payment due under the Notes, the relevant Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 or, in the case of Notes issued by EGF, the Guarantor would be unable for reasons outside its control to procure payment by EGF and in making payment itself would be required to pay such additional amounts, in each case as a result of any change in, or amendment to or interpretation of, the laws, published practice or regulations of a Tax Jurisdiction (as defined in Condition 7), or any change in the application or interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and

(ii) such obligation cannot be avoided by any relevant Obligor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which any relevant Obligor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the relevant Issuer shall deliver to the Principal Paying Agent a certificate signed by two Directors of the relevant Issuer stating that the relevant Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the relevant Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that any relevant Obligor has or will become obliged to pay such additional amounts as a result of such change or amendment.

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

(c) ***Redemption at the option of the Issuer (Issuer Call)***

If Issuer Call is specified in the applicable Final Terms, the relevant Issuer may, having given:

(i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 13; and

(ii) not less than 15 days before the giving of the notice referred to in (a), notice to the Principal Paying Agent and, in the case of a redemption of Registered Notes, the Registrar;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date 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 relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified 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, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, in the case of Redeemed Notes represented by a Global Note, not more than 30 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 15 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 for redemption pursuant to this Condition 6(c) and notice to that effect shall be given by the relevant Issuer to the Noteholders in accordance with Condition 13 at least five days prior to the Selection Date.

(d) ***Redemption at the option of the Noteholders (Investor Put)***

If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the relevant Issuer in accordance with Condition 13 not less than 15 nor more than 30 days' notice the relevant Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes may be redeemed under this Condition 6(d) in any multiple of their lowest Specified Denomination.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a ''**Put Notice**'') and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with Condition 1(d), in each case accompanied by this Note or evidence satisfactory to the Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Principal Paying Agent for notation accordingly.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Note pursuant to this Condition 6(d) shall be irrevocable except where, prior to the due date of redemption, an Event of Default shall have occurred and is continuing, in which event such holder, at its option, may elect by notice to the relevant Issuer to withdraw the notice given pursuant to this Condition 6(d) and instead to declare such Note forthwith due and payable pursuant to Condition 9.

(e) ***Early Redemption Amounts***

For the purpose of Condition 6(b) above and Condition 9, each Note will be redeemed at its Early Redemption Amount calculated as follows:

(i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;

(ii) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and a 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 Note is 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 applicable Final Terms, at its nominal amount; or

(iii) in the case of a Zero Coupon Note, at an amount (the ''**Amortised Face Amount**'') calculated in accordance with the following formula:

Early Redemption Amount = RP v (1 + AY)y where:

''**RP**'' means the Reference Price;

''**AY**'' means the Accrual Yield expressed as a decimal; and

''**y**'' is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360,

or on such other calculation basis as may be specified in the applicable Final Terms.

(f) ***Instalments***

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 6(e).

(g) ***Partly Paid Notes***

Partly Paid Notes 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 relevant Obligors or any of their respective Subsidiaries may (subject, in the case of respective Subordinated Notes, to the prior approval of the Regulator where required), 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. Such Notes may be held, reissued, resold or, at the option of any relevant Obligor or, as the case may be their respective Subsidiaries or surrendered to any Agent for cancellation.

(i) ***Cancellation***

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 6(h) above (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

(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 Condition 6(a), 6(b), 6(c) or 6(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 Condition 6(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 in respect of such Zero Coupon Notes has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

7. TAXATION

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the relevant Issuer and all payments under the Guarantee by 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 the Tax Jurisdiction unless such withholding or deduction is required by law. In such event, each relevant Obligor will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise 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:

(a) presented for payment by or on behalf of a holder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with the Tax Jurisdiction other than the mere holding of such Note, Receipt or Coupon; or

(b) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5(f)); or

(c) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(d) presented for payment by or on behalf of a holder who would be 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 European Union.

As used in these Conditions:

(i) ''**Tax Jurisdiction**'' means: (i) in the case of Notes issued by ENBD, the UAE or any political subdivision or any authority thereof or therein having power to tax or (ii) in the case of Notes issued by EGF, the Cayman Islands and the UAE or any political subdivision or any authority thereof or therein having power to tax; and

(ii) the ''**Relevant Date**'' means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 13.

8. PRESCRIPTION

Claims for payment in respect of the Notes, Receipts and Coupons will become void unless made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

9. EVENTS OF DEFAULT

(a) ***Events of Default for Senior Notes***

This Condition 9(a) only applies to Senior Notes.

If any one or more of the following events (each an ''**Event of Default**'') shall occur and be continuing:

(i) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven Business Days in the case of principal and 14 days in the case of interest; or

(ii) if any relevant Obligor fails to perform or observe any of its other obligations under the Conditions or the Guarantee and (except in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by a Noteholder on each relevant Obligor of notice requiring the same to be remedied; or

(iii) any indebtedness of any relevant Obligor or any Material Subsidiary is not paid when due or within any applicable grace period or becomes due and payable prior to its specified maturity (and, in the case of a guarantee or indemnity, is called), **provided that** it shall not constitute an Event of Default unless the aggregate amount (or its equivalent in U.S. dollars) of all such indebtedness either alone or when aggregated with all other such indebtedness which shall remain unpaid or unsatisfied, as the case may be, shall be more than U.S.$5,000,000; or

(iv) any relevant Obligor or any Material Subsidiary takes any corporate action or other steps are taken or legal proceedings are started for its winding-up, nationalisation, dissolution, administration or re-organisation (whether by way of voluntary arrangement, scheme of arrangement or otherwise) or for the appointment of a liquidator, receiver, administrator, administrative receiver, conservator, custodian, trustee or similar officer of it or of any substantial part or all of its revenues and assets and such proceedings are not frivolous or vexatious or are not being actively contested in good faith by such relevant Obligor or, as the case may be, such Material Subsidiary save: (i) in the case of any relevant Obligor (A) for the purposes of reorganisation on terms approved by an Extraordinary Resolution or (B) for the purposes of a Permitted Merger or (ii) in the case of a Material Subsidiary (A) for the purposes of a solvent consolidation, amalgamation or restructuring, pursuant to which some or all the assets of such Material Subsidiary are transferred to any one or more members of the Group or (B) for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution **provided that** a *bona fide* disposal for full value on an arm's length basis of the whole or a substantial part of the business of any relevant Obligor or a Material Subsidiary shall not be deemed in any event to be an Event of Default for the purposes of this sub-paragraph; or

(v) if any relevant Obligor ceases to carry on the whole or a substantial part of its business, or any Material Subsidiary ceases to carry on 50 per cent., or more of the whole of its business save: (i) in the case of a relevant Obligor (A) for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution or (B) for the purposes of a Permitted Merger or (ii) in the case of a Material Subsidiary (A) for the purposes of a solvent consolidation, amalgamation or restructuring, pursuant to which some or all the assets of such Material Subsidiary are transferred to any one or more members of the Group or (B) for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution **provided that** a *bona fide* disposal for full value on an arm's length basis of (1), in the case of any relevant Obligor, the whole or a substantial part of the business of that relevant Obligor or (2), in the case of a Material Subsidiary, 50 per cent. or more of the business of that Material Subsidiary shall not be deemed in any event to be an Event of Default for the purposes of this sub-paragraph; or

(vi) any relevant Obligor or any Material Subsidiary is unable to pay its debts as they fall due, commences negotiations with its creditors as a whole or any one or more classes of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of or a composition with its creditors; or

(vii) any execution or distress is levied against, or an encumbrancer takes possession of, (A) the whole or any substantial part of the property, undertaking or assets of any relevant Obligor or (B) 50 per cent. or more of the whole of the property,

undertaking or assets of any Material Subsidiary or any event occurs which under the laws of any jurisdiction has a similar or analogous effect, unless such enforcement proceedings are frivolous or vexatious or are being actively contested in good faith by the relevant Obligor or such Material Subsidiary, as the case may be; or

(viii) any relevant Obligor or any Material Subsidiary fails to comply with or pay any sum which amount shall not be less than U.S.$5,000,000 due from it under any final non-appealable judgment or any final non-appealable order made or given by any court of competent jurisdiction and such failure continues for period of 30 days next following the service by any Noteholder on such relevant Obligor of notice requiring the same to be paid/remedied; or

(ix) by or under the authority of any government, (A) the management of any relevant Obligor or any Material Subsidiary is wholly or partially displaced or the authority of any relevant Obligor or any Material Subsidiary in the conduct of its business is wholly or partially curtailed or (B) all or a majority of the issued shares of any relevant Obligor or any Material Subsidiary or the whole or any part (the book value of which is 20 per cent., or more of the book value of the whole) of its revenues or assets is seized, nationalised, expropriated or compulsorily acquired; or

(x) if at any time it is or becomes unlawful for any relevant Obligor to perform or comply with any or all of its obligations under or in respect of the Notes or any of the material obligations of any relevant Obligor thereunder are not or cease to be legal, valid, binding and enforceable; or

(xi) if, in the case of Notes issued by EGF, the Guarantee ceases to be, or is claimed by any Issuer or the Guarantor not to be, in full force or effect; or

(xii) if, in the case of Notes issued by EGF, EGF ceases to be wholly owned by ENBD; or

(xiii) the UAE ceases to be a member in good standing or becomes ineligible to use the resources of the International Monetary Fund; or

(xiv) the Government of Dubai at any time ceases to own directly or indirectly not less than 33 per cent., of the issued share capital of ENBD,

then any holder of a Note may, by written notice to the relevant Obligor at the specified office of the Principal Paying Agent, effective upon the date of receipt thereof by the Principal Paying Agent, declare any Note held by it to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Early Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind,

(b) ***Events of Default for Subordinated Notes***

This Condition 9(b) only applies to Subordinated Notes.

(i) If default is made in the payment of any principal or interest due under the Notes or any of them and the default continues for a period of seven days in the case of principal and 14 days in the case of interest, any Noteholder may, if the Issuer is ENBD, institute proceedings in the UAE or any Emirate therein (but not elsewhere) for the dissolution and liquidation of ENBD or, if the Issuer is EGF, the Cayman Islands (but not elsewhere) for the dissolution and liquidation of EGF and in the UAE or any Emirate therein (but not elsewhere) for the dissolution and liquidation of the Guarantor.

(ii) If any one or more of the following events shall occur and be continuing:

(1) any relevant Obligor takes any corporate action or other steps are taken or legal proceedings are started for its winding-up, nationalisation, dissolution, administration or re-organisation (whether by way of voluntary arrangement, scheme of arrangement or otherwise) or for the appointment of a liquidator, receiver, administrator, administrative receiver, conservator, custodian, trustee or similar officer of it or of any substantial part or all of its revenues and assets and such proceedings are not frivolous or vexatious or are not being actively contested in good faith by such relevant Obligor save (A) for the

purposes of reorganisation on terms approved by an Extraordinary Resolution or (B) for the purposes of a Permitted Merger, **provided that** a *bona fide* disposal for full value on an arm's length basis of the whole or a substantial part of the business of such relevant Obligor shall not be deemed in any event to be an Event of Default for the purposes of this sub-paragraph; or

(2) any relevant Obligor ceases to carry on the whole or a substantial part of its business save (A) for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution or (B) for the purposes of a Permitted Merger, **provided that** a *bona fide* disposal for full value on an arm's length basis of the whole or a substantial part of the business of such relevant Obligor shall not be deemed in any event to be an Event of Default for the purposes of this sub-paragraph; or

(3) any relevant Obligor is unable to pay its debts as they fall due, commences negotiations with its creditors as a whole or any one or more classes of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of or a composition with its creditors; or

(4) any execution or distress is levied against, or an encumbrancer takes possession of, the whole or any substantial part of the property, undertaking or assets of any relevant Obligor or any event occurs which under the laws of any jurisdiction has a similar or analogous effect, unless such enforcement proceedings are frivolous or vexatious or are being actively contested in good faith by such relevant Obligor; or

(5) any event occurs which under the laws of the UAE, any Emirate therein, the Cayman Islands or any other jurisdiction has an analogous effect to any of the events referred to in paragraphs (1) to (4) above; or

(6) if, in the case of Notes issued by EGF, the Guarantee ceases to be or is claimed by any Issuer or the Guarantor not to be in full force and effect; or

(7) if, in the case of Notes issued by EGF, EGF ceases to be wholly owned by ENBD,

then the holder of any Note may give written notice to the relevant Obligor at the specified office of the Principal Paying Agent, effective upon the date of receipt thereof by the Principal Paying Agent, that such Note is due and payable, whereupon the same shall, subject to Condition 2, become forthwith due and payable at its Early Redemption Amount, together with accrued interest (if any) to the date of repayment without presentation, demand, protest or other notice of any kind.

(iii) To the extent permitted by applicable law and by these Conditions, a Noteholder may at its discretion institute such proceedings against any relevant Obligor as it may think fit to enforce any obligation, condition, undertaking or provision binding on that relevant Obligor under the Notes, the Receipts or the Coupons, but the institution of such proceedings shall not have the effect that relevant Obligor shall be obliged to pay any sum or sums sooner than would otherwise have been payable by it.

(iv) No remedy against any relevant Obligor, other than the institution of the proceedings referred to in paragraph (i) or (iii) above and the proving or claiming in any dissolution and liquidation of any relevant Obligor, shall be available to the Noteholders, the Receiptholders or the Couponholders whether for the recovering of amounts owing in respect of the Notes, the Receipts or the Coupons or in respect of any breach by any relevant Obligor of any other obligation, condition or provision binding on it under the Notes, the Receipts or the Coupons.

(c) ***Definitions***

For the purposes of these Conditions:

a ''**holding company**'' of a company or corporation shall be construed as a reference to any company or corporation of which the first-mentioned company or corporation is a Subsidiary;

''**indebtedness**'' shall be construed so as to include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

''**Material Subsidiary**'' shall mean a Subsidiary from time to time of any relevant Obligor, the book value of the assets of which exceeds five per cent., of the book value of the assets of the Group taken as a whole or the revenues of which exceed five per cent., of the revenues of the Group taken as a whole and, for these purposes:

(i) the book value of the assets and the revenues of such Subsidiary shall be determined by reference to its then most recent audited annual financial statements (or, if none, its then most recent management accounts); and

(ii) the book value of the assets and the revenues of the Group shall be determined by reference to its then most recent audited annual consolidated financial statements,

in each case adjusted, as the Auditors may consider appropriate, to take account of any changes in circumstances since the date as of which such financial statements (or management accounts) were prepared. A report of the Auditors that in their opinion a Subsidiary of any relevant Obligor is or is not or was or was not at any particular time or throughout any specified period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties;

''**Permitted Merger**'' shall mean a merger, integration or consolidation (whether statutory or voluntary) as between any of ENBD and National Bank of Dubai PJSC only, **provided that** simultaneously upon the occurrence of such merger, integration or consolidation the entity formed as a result thereof assumes all of the obligations of ENBD, as the case may be, in respect of Notes issued or guaranteed by ENBD, as the case may be, in accordance with Condition 17;

a ''**Subsidiary**'' of a company or corporation shall be construed as a reference to any company or corporation:

(i) which is controlled, directly or indirectly, by the first-mentioned company or corporation; or

(ii) more than half the issued share capital of which is beneficially owned, directly or indirectly, by the first-mentioned company or corporation; or

(iii) which is a subsidiary of another subsidiary of the first-mentioned company or corporation,

and, for these purposes, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body;

and the ''winding-up'', ''dissolution'' or ''administration'' of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors.

10. 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 Principal Paying Agent (in the case of Bearer Notes, Receipts or Coupons) or the Registrar (in the case of Registered Notes) 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 relevant Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

11. AGENTS

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

The relevant Issuer and (as the case may be) the Guarantor is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, **provided that**:

(a) there will at all times be an Principal Paying Agent and a Registrar; and

(b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, 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 or other relevant authority; and

(c) there will at all times be a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; and

(d) there will at all times be a Paying Agent and a Transfer Agent with a specified office in western Europe.

In addition, the relevant Issuer and (as the case may be) the Guarantor shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5(e). 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.

In acting under the Agency Agreement, the Agents act solely as agents of the relevant Issuer and (as the case may be) any other relevant Obligor and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

12. EXCHANGE OF TALONS

On and after the Interest Payment Date 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 any 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.

13. NOTICES

All notices regarding the Bearer Notes shall be published (a) in a leading English language daily newspaper of general circulation in London, and (b) if and for so long as the Notes are listed on the Luxembourg Stock Exchange, either in a daily newspaper of general circulation in Luxembourg or on the website of the Luxembourg Stock Exchange, www.bourse.lu. It is expected that such publication will be made (i) in the Financial Times in London or any other daily newspaper in London and (ii) either in the Luxemburger Wort or the Tageblatt in Luxembourg or on the website of the Luxembourg Stock Exchange, www.bourse.lu. The relevant Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange (or other relevant authority) on which the Bearer Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in each such newspaper or where published in such newspapers on different dates, the last date of such first publication.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing. The relevant Issuer shall also ensure that, if and for so long as the Notes are listed on the Luxembourg Stock Exchange, such notice will be published either in a daily newspaper of general circulation in Luxembourg or on the website of the Luxembourg Stock Exchange, www.bourse.lu.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent or the Registrar, as the case may be, and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

14. MEETINGS OF NOTEHOLDERS AND MODIFICATION

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the relevant Issuer and shall be convened by the relevant Issuer if required in writing by Noteholders holding not less than five per cent., in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, the Receipts or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, the Receipts or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

The Principal Paying Agent and the relevant Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

(a) any modification (except as mentioned above) of the Notes, the Receipts, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or

(b) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

15. FURTHER ISSUES

The relevant Issuer shall be at liberty from time to time without the consent of the Noteholders, the Receiptholders or the 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.

16. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

17. SUBSTITUTION

ENBD (in its capacity as Issuer and as Guarantor in the case of Notes issued by EGF), or any previously substituted company, may, subject, to the extent so required, to the approval of the Regulator, at any time, without the consent of the Noteholders, Receiptholders or the Couponholders, substitute for itself as principal debtor or Guarantor, as the case may be, under the Notes, the Receipts and the Coupons any member of the Group (the ''**Substitute**'') **provided that** no Event of Default is subsisting at the relevant time. The substitution shall be made by a substitution deed (the ''**Substitution Deed**''), to be executed by ENBD and the Substitute and shall be effective on and from the time or event specified in the Substitution Deed (the ''**Time of Substitution**''), and may take place only if:

(a) where the Substitute is incorporated, domiciled or resident for taxation purposes in a territory other than the UAE or any political subdivision or any authority thereof or therein having power to tax, the Substitution Deed contains a covenant by the Substitute and/or such other provisions as may be necessary to ensure that each Noteholder has the benefit of a covenant by the Substitute in terms corresponding to the provisions of Condition 7 with the substitution for the reference to ''the UAE'' in the definition of ''Tax Jurisdiction'' of a reference to the territory in which the Substitute is incorporated, domiciled and/or resident for taxation purposes. The Substitute shall also, by means of the Substitution Deed, agree to indemnify each Noteholder, Receiptholder and Couponholder against any tax, duty, assessment or governmental charge which is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and/or, if different, of its incorporation with respect to any Note, Receipt or Coupon and which would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution;

(b) the substitution does not result in a downgrade in any then current credit rating of the Notes, the Receipts or the Coupons, or if the Notes, Receipts or Coupons are not rated at such time, would not result in a downgrade if they were rated and in either case this has been confirmed in writing either by each rating agency which has assigned such a credit rating or (if the Notes, Receipts or Coupons are unrated) by an internationally recognised rating agency;

(c) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Substitution Deed, the Notes, the Receipts and the Coupons represent valid, legally binding and enforceable obligations of the Substitute and, in the case of the Substitution Deed, of ENBD have been taken, fulfilled and done and are in full force and effect;

(d) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it;

(e) each stock exchange or listing authority which has the Notes listed on such stock exchange shall have confirmed that following the proposed substitution of ENBD the Notes would continue to be listed on such stock exchange;

(f) legal opinions addressed to the Principal Paying Agent (for the benefit of the Noteholders) shall have been delivered to the Principal Paying Agent from a lawyer or firm of lawyers with a leading securities practice (i) in each jurisdiction referred to in (a)

above as to the fulfilment of condition (c) of this Condition and (ii) in England confirming that the Substitution Deed constitutes legal, valid and binding obligations of ENBD and the Substitute; and

(g) ENBD shall have given at least 30 days' prior notice of such substitution to the Noteholders, stating that copies, or, pending execution, the agreed text, of all relevant documents in relation to the substitution which are referred to above will be available for inspection at the specified office of each of the Paying Agents.

Immediately on and from the Time of Substitution any reference in the Conditions to (as the case may be) the ''Issuer'', the ''relevant Issuer'' or the ''Guarantor'' shall be construed as a reference to the Substitute.

18. GOVERNING LAW AND SUBMISSION TO JURISDICTION

(a) ***Governing law***

The Agency Agreement, the Deed of Covenant, the Guarantee, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Deed of Covenant, the Guarantee, the Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with, English law.

(b) ***Arbitration***

Subject to Condition 18(c), any dispute, claim, difference or controversy arising out of, relating to or having any connection with the Notes, the Receipts and/or the Coupons (including any dispute, claim, difference or controversy relating to any non-contractual obligations arising out of or in connection with the Notes, the Receipts and/or the Coupons; and any dispute, claim, difference or controversy regarding their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity) (a ''**Dispute**'') shall be referred to and finally resolved by arbitration under the LCIA Arbitration Rules (the ''**Rules**''), which Rules (as amended from time to time) are incorporated by reference into this Condition 18(b). For these purposes:

(i) the seat, or legal place, of arbitration will be Paris;

(ii) the governing law of the arbitration agreement shall be English law;

(iii) there shall be three arbitrators, each of whom shall be disinterested in the arbitration, shall have no connection with any party thereto and shall be an attorney experienced in international securities transactions; and

(iv) the language of the arbitration shall be English.

(c) ***Court of law***

Notwithstanding Condition 18(b) above, any Noteholder, Receiptholder or Couponholder may, in the alternative, and at its sole discretion, by notice in writing to the Issuer:

(i) within 28 days of service of a Request for Arbitration (as defined in the Rules); or

(ii) in the event no arbitration is commenced,

require that a Dispute be heard by a court of law. If any Noteholder, Receiptholder or Couponholder gives such notice, the Dispute to which such notice refers shall be determined in accordance with Condition 18(d) and, subject as provided below, any arbitration commenced under Condition 18(b) in respect of that Dispute will be terminated. Each person who gives such notice and the recipient of that notice will bear its own costs in relation to the terminated arbitration.

If any notice to terminate the arbitration in accordance with Condition 18(c) is given after service of any Request for Arbitration in respect of any Dispute, the Noteholder, Receiptholder or Couponholder, as the case may be, must also promptly give notice to the LCIA Court and to any Tribunal (each as defined in the Rules) already appointed in relation to the Dispute that such Dispute will be settled by the courts. Upon receipt of such notice by the LCIA Court, the arbitration and any appointment of any arbitrator in relation to such Dispute will immediately terminate. Any such arbitrator will be deemed to be *functus officio*. The termination is without prejudice to:

(a) the validity of any act done or order made by that arbitrator or by the court in support of that arbitration before his appointment is terminated;

(b) his entitlement to be paid his proper fees and disbursements; and

(c) the date when any claim or defence was raised for the purpose of applying any limitation bar or any similar rule or provision.

(d) ***Submission to jurisdiction***

In the event that a notice pursuant to Condition 18(c) is issued, the following provisions shall apply:

(i) subject to paragraph (iii) below, the courts of England shall have exclusive jurisdiction to settle any Dispute and the Issuer submits to the exclusive jurisdiction of such courts;

(ii) the Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary; and

(iii) this Condition 18(d) is for the benefit of the Noteholders, the Receiptholders and the Couponholders only. As a result, and notwithstanding paragraph (i) above, any Noteholder, Receiptholder or Couponholder may start proceedings relating to a Dispute (''**Proceedings**'') in any other court with jurisdiction. To the extent allowed by law, any Noteholder, Receiptholder or Couponholder may start concurrent Proceedings in any number of jurisdictions.

(e) ***Appointment of Process Agent***

Each of ENBD and EGF appoints Emirates NBD PJSC (London Branch) (attention of: Country Head UK & Jersey) at its registered office at 3rd Floor, 2 Basil Street, Knightsbridge, London, SW3 1AA as its agent for service of process, and undertakes that, in the event of Emirates NBD PJSC (London Branch) ceasing so to act or ceasing to be registered in England, it will immediately (and in any event within 30 days of the event taking place) appoint another person as its agent for service of process in England in respect of any Proceedings or Disputes. Failure by a process agent to notify the person that appointed it of any process will not invalidate the relevant proceedings. Nothing herein shall affect the right to serve process in any other manner permitted by law.

(f) ***Waiver of immunity***

The Issuers and the Guarantor hereby irrevocably and unconditionally waives with respect to the Notes, the Receipts and the Coupons any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence and irrevocably and unconditionally consents to the giving of any relief or the issue of any process, including without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings or Disputes.

(g) ***Other documents***

The Issuers and, where applicable the Guarantor, has in the Agency Agreement, the Deed of Covenant and the Guarantee submitted to the jurisdiction of the English courts and to arbitration and appointed an agent for service of process in terms substantially similar to those set out above.

THE GUARANTEE

U.S.$7,500,000,000 Euro Medium Term Note Programme

Deed Poll Guarantee of Emirates NBD PJSC

THIS GUARANTEE is made by way of deed on 22 December, 2011 by Emirates NBD PJSC (the ''**Guarantor**'').

WHEREAS:

(A) Emirates NBD PJSC (in its capacity as an issuer) and Emirates NBD Global Funding Limited (together, the ''**Issuers**'') have established a U.S.$7,500,000,000 Euro Medium Term Note Programme (the ''**Programme**'') and, in this connection have entered into an Agency Agreement (the ''**Agency Agreement**'') dated 22 December, 2011 between, among others, the Issuers, the Guarantor and Deutsche Bank AG, London Branch as Principal Paying Agent (the ''**Agent**'') as amended from time to time.

(B) Under the Programme, Emirates NBD PJSC and Emirates NBD Global Funding Limited may from time to time issue Notes (the ''**Notes**'').

(C) The Guarantor wishes to guarantee the obligations of Emirates NBD Global Funding Limited (''**EGF**'') in respect of Notes issued by it under the Programme.

(D) Terms defined in the Conditions of the Notes (the ''**Conditions**'') and in the Agency Agreement and not otherwise defined in this Guarantee shall have the same meaning when used in this Guarantee.

NOW THIS DEED WITNESSETH as follows:

1. The Guarantor as primary obligor unconditionally and irrevocably:
   (a) guarantees to the holder from time to time of each Note, Coupon or Receipt by way of continuing guarantee the due and punctual payment of all amounts payable by EGF on or in respect of the Note, Coupon or Receipt (including any premium or any other amounts of whatever nature or additional amounts which may become payable under Condition 7 of the Notes) as and when the same shall become due according to the Conditions; and
   (b) agrees that, in the case of 1(a) above, if and each time that EGF shall fail to make any payments as and when the same become due, the Guarantor will on demand (without requiring the relevant Noteholder, Couponholder, Receiptholder or Relevant Account Holder first to take steps against EGF or any other person) pay to the relevant Noteholder, Couponholder, Receiptholder or Relevant Account Holder the amounts (as to which the certificate of the relevant Noteholder, Couponholder, Receiptholder or Relevant Account Holder shall in the absence of manifest error be conclusive) in the currency in which the amounts are payable by EGF.
2. The Guarantor covenants in favour of each Noteholder that it will duly perform and comply with the obligations expressed to be undertaken by it in Condition 7 of the Notes.
3. The obligations of the Guarantor under this Guarantee shall not be affected by any matter or thing which but for this provision might operate to affect the obligations including, without limitation:
   (a) any time or indulgence granted to or composition with EGF or any other person;
   (b) the taking, variation, renewal or release of remedies or securities against EGF or any other person; or
   (c) any unenforceability, invalidity or irregularity.
4. Where any discharge (whether in respect of the obligations of EGF or any security for the obligations of EGF or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be repaid on bankruptcy, liquidation or otherwise without limitation, the liability of the Guarantor under this Guarantee shall continue as if there had been no discharge or arrangement. The holder of any Note, Coupon or Receipt, acting in good faith, shall be entitled to concede or compromise any claim that any payment, security or other disposition is liable to avoidance or repayment.

5. Save as may otherwise be permitted under the Conditions, so long as any of the Senior Notes remains outstanding (as defined in the Agency Agreement), the Guarantor will ensure that no indebtedness of the Guarantor or any of its Relevant Subsidiaries will be subject to any Encumbrance, other than a Permitted Encumbrance, upon, or with respect to, any of the present or future business, undertaking, assets or revenues (including any uncalled capital) of the Guarantor or any of its Relevant Subsidiaries unless the Guarantor shall, in the case of the creation of the Encumbrance, before or at the same time and, in any other case, promptly, take any and all action necessary to ensure that:

   (i) all amounts payable by it under the Notes and the Coupons are secured by the Encumbrance equally and rateably with the indebtedness; or

   (ii) such other Encumbrance or other arrangement (whether or not it includes the giving of a Encumbrance) is provided as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

   As used herein:

   ''**Auditors**'' means a firm of independent auditors of good repute appointed by the Guarantor.

   ''**Encumbrance**'' means (i) a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person, (ii) any arrangement under which money or claims to, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person or (iii) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect.

   ''**Group**'' means the Guarantor, its holding company (if any) and the Subsidiaries of the Guarantor or any such holding company for the time being.

   ''**Permitted Encumbrance**'' means:

   (i) any Encumbrance arising in the ordinary course of banking transactions including, without limitation, sale and repurchase transactions and share, loan and bond lending transactions, **provided that** any such Encumbrance is limited to the assets which are the subject of the relevant transaction;

   (ii) any Encumbrance in respect of any indebtedness, **provided that** the aggregate outstanding amount secured thereby shall not at any time exceed an amount equal to 10 per cent., of the aggregate of the share capital and reserves of the Guarantor and its Relevant Subsidiaries, as provided in its most recent audited accounts;

   (iii) any Encumbrance created or outstanding with the prior approval by an Extraordinary Resolution of the Noteholders; or

   (iv) any lien arising by operation of law and in the normal course of business, if such lien is discharged within thirty days of arising.

   ''**Relevant Subsidiary**'' shall mean a company or corporation:

   (i) 75 per cent. or more of the issued capital of which is beneficially owned, directly or indirectly, by the Guarantor; and

   (ii) the book value of the assets of which exceeds five per cent. of the book value of the assets of the Group taken as a whole or the revenues of which exceed five per cent. of the revenues of the Group taken as a whole and, for these purposes:

      (A) the book value of the assets and the revenues of such company or corporation shall be determined by reference to its then most recent audited annual financial statements (or, if none, its then most recent management accounts); and

      (B) the book value of the assets and the revenues of the Group shall be determined by reference to its then most recent audited annual consolidated financial statements,

      in each case adjusted, as the Auditors may consider appropriate, to take account of any changes in circumstances since the date as of which such financial statements (or management accounts) were prepared.

A report of the Auditors that in their opinion a company or corporation is or is not or was or was not at any particular time or throughout any specified period a Relevant Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

6. Status:

(i) In respect of Senior Notes

In respect of Senior Notes and any relative Receipts and Coupons issued by EGF, the obligations of the Guarantor under this Guarantee are direct, unconditional, unsubordinated and (subject to the provisions of Clause 5) unsecured obligations of the Guarantor and rank and will rank *pari passu* among themselves and at least *pari passu* with the claims of the Guarantor's other unsecured and unsubordinated creditors save those whose claims are preferred solely by bankruptcy, insolvency, liquidation or other similar laws of general application.

(ii) In respect of Subordinated Notes

In respect of Subordinated Notes and any relative Receipts and Coupons issued by EGF, the obligations of the Guarantor under this Guarantee are direct, conditional as described below and unsecured obligations of the Guarantor, and rank and will rank *pari passu* among themselves.

The payment obligations of the Guarantor in respect of the Subordinated Notes issued by EGF (whether on account of principal, interest or otherwise) will be subordinated to all unsubordinated payment obligations of the Guarantor in the manner described below but will rank *pari passu* with all other subordinated payment obligations of the Guarantor which do not rank or are not expressed by their terms to rank junior to the payment obligations under the guarantee of Subordinated Notes issued by EGF and in priority to all claims of shareholders of the Guarantor. The rights of the holders of Subordinated Notes issued by EGF against the Guarantor under the guarantee of Subordinated Notes issued by EGF are subordinated in right of payment to the claims of all Senior Creditors of the Guarantor and accordingly payments in respect of the guarantee of Subordinated Notes issued by EGF (whether on account of principal, interest or otherwise) by the Guarantor are conditional upon the Guarantor being solvent at the time of such payment and no payment shall be payable by the Guarantor in respect of the guarantee of Subordinated Notes issued by EGF except to the extent that the Guarantor could make such payment and any other payment required to be made to a creditor in respect of indebtedness which ranks or is expressed to rank *pari passu* with the payment obligations of the Guarantor under the guarantee of Subordinated Notes issued by EGF and still be solvent immediately thereafter. For this purpose the Guarantor shall be solvent if (i) it is able to pay its debts as they fall due and (ii) its Assets exceed its Liabilities, and the following expressions shall have the following meanings:

''**Assets**'' means the unconsolidated gross assets of the Guarantor as shown in the latest published audited balance sheet of the Guarantor, but adjusted for subsequent events in such manner as the directors of the Guarantor, the auditors of the Guarantor or (if a bankruptcy trustee (or any equivalent insolvency practitioner) has been appointed in respect of the Guarantor) a bankruptcy trustee (or such equivalent insolvency practitioner) may determine;

''**Liabilities**'' means the unconsolidated gross liabilities of the Guarantor as shown in the latest published audited balance sheet of the Guarantor, but adjusted for contingent liabilities and for subsequent events in such manner as the directors of the Guarantor, the auditors of the Guarantor or (if a bankruptcy trustee (or any equivalent insolvency practitioner) has been appointed in respect of the Guarantor) a bankruptcy trustee (or such equivalent insolvency practitioner) may determine; and

''**Senior Creditors**'' shall mean creditors of the Guarantor (including depositors) other than creditors in respect of indebtedness where, by the terms of such indebtedness, the claims of the holders of that indebtedness rank or are expressed to rank *pari passu* with, or junior to, the claims of the holders of Subordinated Notes issued by EGF under the Guarantee.

Each holder of a Subordinated Note unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of the guarantee of such Subordinated Note. No collateral is or will be given for the payment obligations under the guarantee of the Subordinated Notes issued by EGF and any collateral that may have been or may in the future be given in connection with other indebtedness of the Guarantor shall not secure the payment obligations of the Guarantor under the guarantee of Subordinated Notes issued by EGF.

7. The Guarantor represents and warrants that, as at the date of the first issue of Notes by EGF, all necessary governmental and regulatory consents and authorisations for the giving and implementation of this Guarantee will have been obtained.

8. Until all amounts which may be or become payable under the Notes and the Coupons have been irrevocably paid in full, the Guarantor shall not by virtue of this Guarantee be subrogated to any rights of any holder of any Note or Coupon or claim in competition with the holders against EGF.

9. This Guarantee shall enure for the benefit of the Noteholders, Couponholders, Receiptholders and Relevant Account Holders in accordance with its terms and shall be deposited with and held by the Agent.

10. The Guarantor, or any previously substituted company, may, subject, to the extent so required, to the approval of the Regulator, at any time, without the consent of the Noteholders, Receiptholders or the Couponholders, substitute for itself as guarantor under the Notes, the Receipts and the Coupons any member of the Group (the ''**Substitute**'') **provided that** no Event of Default is subsisting at the relevant time. The substitution shall be made by a substitution deed (the ''**Substitution Deed**''), to be executed by Guarantor and the Substitute and shall be effective on and from the time or event specified in the Substitution Deed (the ''**Time of Substitution**''), and may take place only if:

    (a) where the Substitute is incorporated, domiciled or resident for taxation purposes in a territory other than the United Arab Emirates or any political subdivision or any authority thereof or therein having power to tax, the Substitution Deed contains a covenant by the Substitute and/or such other provisions as may be necessary to ensure that each Noteholder has the benefit of a covenant by the Substitute in terms corresponding to the provisions of Condition 7 with the substitution for the reference to ''the United Arab Emirates'' in the definition of ''Tax Jurisdiction'' of a reference to the territory in which the Substitute is incorporated, domiciled and/or resident for taxation purposes. The Substitute shall also, by means of the Substitution Deed, agree to indemnify each Noteholder, Receiptholder and Couponholder against any tax, duty, assessment or governmental charge which is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and/or, if different, of its incorporation with respect to any Note, Receipt or Coupon and which would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution;

    (b) the substitution does not result in a downgrade in any then current credit rating of the Notes, the Receipts or the Coupons, or if the Notes, Receipts or Coupons are not rated at such time, would not result in a downgrade if they were rated and in either case this has been confirmed in writing either by each rating agency which has assigned such a credit rating or (if the Notes, Receipts or Coupons are unrated) by an internationally recognised rating agency;

    (c) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Substitution Deed, the Notes, the Receipts and the Coupons represent valid, legally binding and enforceable obligations of the Substitute and, in the case of the Substitution Deed, of the Guarantor have been taken, fulfilled and done and are in full force and effect;

    (d) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it;

(e) each stock exchange or listing authority which has the Notes listed on such stock exchange shall have confirmed that following the proposed substitution of the Guarantor the Notes would continue to be listed on such stock exchange;

(f) legal opinions addressed to the Principal Paying Agent (for the benefit of the Noteholders) shall have been delivered to the Principal Paying Agent from a lawyer or firm of lawyers with a leading securities practice (i) in each jurisdiction referred to in (a) above as to the fulfillment of condition (c) of this Condition and (ii) in England confirming that the Substitution Deed constitutes legal, valid and binding obligations of the Guarantor and the Substitute; and

(g) the Guarantor shall have given at least 30 days' prior notice of such substitution to the Noteholders, stating that copies, or, pending execution, the agreed text, of all relevant documents in relation to the substitution which are referred to above will be available for inspection at the specified office of each of the Paying Agents.

Immediately on and from the Time of Substitution any reference in the Conditions to the ''Guarantor'' shall be construed as a reference to the Substitute.

11. The Guarantor agrees that, without limiting clauses 12 to 17, to the extent that the provisions of the United Arab Emirates Civil Code may apply in respect of this Guarantee, then to the maximum extent permitted by law the provisions of Article 1092 of the United Arab Emirates Civil Code shall not apply to this Guarantee.

12. This Guarantee and any non-contractual obligations arising out of or in connection with this Guarantee are governed by, and shall be construed in accordance with, the laws of England.

13. Subject to clause 14, any dispute, claim, difference or controversy arising out of, relating to or having any connection with this Guarantee (including any dispute, claim, difference or controversy relating to any non-contractual obligations arising out of or in connection with this Guarantee; and any dispute, claim, difference or controversy regarding the existence, validity, interpretation, performance, breach or termination of this Guarantee or the consequences of its nullity) (a ''**Dispute**'') shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the London Court of International Arbitration (LCIA) (the ''**Rules**''), which Rules (as amended from time to time) are incorporated by reference into this clause 13. For these purposes:

(a) the seat, or legal place, of arbitration will be Paris;

(b) the governing law of the arbitration agreement shall be English law;

(c) there shall be three arbitrators, each of whom shall be disinterested in the arbitration, shall have no connection with any party thereto and shall be an attorney experienced in international securities transactions; and

(d) the language of the arbitration shall be English.

14. (A) Notwithstanding clause 13 above, any Noteholder, Couponholder, Receiptholder or Relevant Account Holder may, in the alternative, and at its sole discretion, by notice in writing to the Guarantor:

(a) within 28 days of service of a Request for Arbitration (as defined in the Rules); or

(b) in the event no arbitration is commenced,

require that a Dispute be heard by a court of law. If any Noteholder, Couponholder, Receiptholder or Relevant Account Holder gives such notice, the Dispute to which such notice refers shall be determined in accordance with clause 15 and, subject as provided below, any arbitration commenced under clause 13 in respect of that Dispute will be terminated. Each of the parties to the terminated arbitration will bear its own costs in relation to this terminated arbitration.

(B) If any notice to terminate the arbitration in accordance with clause 14(A) is given after service of any Request for Arbitration in respect of any Dispute, the party must also promptly give notice to the LCIA Court and to any Tribunal (each as defined in the Rules) already appointed in relation to the Dispute that such Dispute will be settled by the courts. Upon receipt of such notice by the LCIA Court, the arbitration and any appointment of any arbitrator in relation to such Dispute will immediately terminate. Any such arbitrator will be deemed to be functus officio. The termination is without prejudice to:

(a) the validity of any act done or order made by that arbitrator or by the court in support of that arbitration before his appointment is terminated;

(b) his entitlement to be paid his proper fees and disbursements; and

(c) the date when any claim or defence was raised for the purpose of applying any limitation bar or any similar rule or provision.

15. In the event that a notice pursuant to clause 14 is issued, the following provisions shall apply:

(a) subject to paragraph (c) below, the courts of England shall have exclusive jurisdiction to settle any Dispute and the Guarantor submits to the exclusive jurisdiction of such courts;

(b) the Guarantor agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary; and

(c) this clause 15 is for the benefit of the Noteholders, Couponholders, Receiptholders and Relevant Account Holders only. As a result, and notwithstanding paragraph (a) above, any Noteholder, Couponholder, Receiptholder or Relevant Account Holder may start proceedings relating to a Dispute (''**Proceedings**'') in any other court with jurisdiction. To the extent allowed by law, any Noteholder, Couponholder, Receiptholder or Relevant Account Holder may start concurrent Proceedings in any number of jurisdictions.

16. The Guarantor appoints Emirates NBD PJSC (London Branch) at its registered office at 3rd Floor, 2 Basil Street, Knightsbridge, London SW3 1AA (attention of: Country Head UK and Jersey) as its agent for service of process, and undertakes that, in the event of Emirates NBD PJSC (London Branch) ceasing so to act or ceasing to be registered in England, it will immediately (and in any event within 30 days of the event taking place) appoint another person as its agent for service of process in England in respect of any Proceedings or Dispute. Failure by a process agent to notify the person that appointed it of any process will not invalidate the relevant proceedings. Nothing in this clause 16 shall affect the right to serve process in any other manner permitted by law.

17. The Guarantor hereby irrevocably and unconditionally waives with respect to this Guarantee any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence and irrevocably and unconditionally consents to the giving of any relief or the issue of any process, including without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings or Disputes.

IN WITNESS WHEREOF this Guarantee has been entered into as a deed by the Guarantor on the date which appears first on page 1.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the relevant Issuer for its general corporate purposes, which include making a profit. If, in respect of any particular issue of Notes which are derivative securities for the purposes of Article 15 of the Commission Regulation No. 809/2004 implementing the Prospectus Directive, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

DESCRIPTION OF EMIRATES NBD PJSC

Overview

Emirates NBD PJSC (''**ENBD**'') was registered in Dubai as a Public Joint Stock Company on 16 July 2007 under the laws of Dubai with registration number 1013450. ENBD is a publicly listed company whose shares are listed on the Dubai Financial Market (the ''**DFM**''). As at 30 September 2011, ENBD had 5,557,774,724 shares outstanding held by 1,677 shareholders of record, with a total issued and paid-up capital (equal to that authorised) of AED 5,557,774,724. No shareholder, other than ICD, which is wholly owned by the Government of Dubai and holds 55.64 per cent. of shares of ENBD, held more than 10 per cent. of the shares of ENBD as at 30 September 2011.

ENBD is the largest banking entity in the UAE and the second largest banking entity in the GCC by assets, with total assets of AED 271.9 billion in total assets as at 30 September 2011. Originally incorporated to serve as the holding company of EBI and National Bank of Dubai PJSC (''**NBD**'') during the initial stages of their merger, on 21 November 2009, EBI and NBD were legally amalgamated with ENBD. As a result of the amalgamation, all of the assets and liabilities of EBI and NBD (including EBI's obligations under the Programme) were transferred to ENBD and EBI and NBD were dissolved.

ENBD (including through the operation of its operating subsidiaries) is one of the leading full service banks in the UAE and has branches or representative offices in the Kingdom of Saudi Arabia, Jersey, Qatar, Iran, India, Singapore and the United Kingdom. ENBD was awarded ''*Best Private Bank in the UAE*'' by the 2010 and the 2011 Euromoney Private Banking Survey, ''*The number one banking brand in the Middle East*'' by The Banker in February 2010 and ''*Best bank in the UAE*'' by Global Finance in March 2011.

ENBD has a significant presence in the UAE retail, corporate and commercial banking market. In addition, through its subsidiaries and associates, ENBD offers Islamic banking services, as well as investment banking, property development and management, asset management, insurance services, credit card facilities and other banking-related services.

As at 30 September 2011, ENBD had total assets of AED 271.9 billion and shareholders funds worth AED 35.1 billion. For the purposes of reporting its risk-weighted assets in accordance with Basel II, ENBD had, as at 30 September 2011, Tier 1 capital of AED 28.8 billion and lower Tier 2 capital of AED 16.6 billion. ENBD's net profit for the year ended 31 December 2010 and for the nine month period ended 30 September 2011 was AED 2.3 billion.

General

ENBD has a long term rating of A+ and a short term rating of F1 from Fitch (stable outlook); and a long term rating of A3 for bank deposits and a short term rating of P-2 (both with negative outlook) for bank deposits by Moody's.

ENBD operates in the UAE under a banking licence issued by the UAE Central Bank. The registered address of ENBD is Baniyas Road, Deira, P.O. Box 777, Dubai, UAE and the telephone number of the registered office is +971 4 225 6256.

Ownership Structure

ICD was established in May 2006, through the partial transfer of the Government of Dubai's investment portfolio from the Department of Finance, pursuant to a decree issued by H.H. Sheikh Mohammed bin Rashid Al Maktoum, the Ruler of Dubai. It is the only entity mandated to directly own and manage the Government of Dubai's corporate assets.

The aim of ICD is to assist in establishing the vision for Dubai through devising and implementing the Government of Dubai's investment strategy and managing investments deemed to be of strategic importance to Dubai's long-term development goals.

The investments, diversified across multiple sectors, are considered to be a platform for the future growth of Dubai and include Dubai's most recognised companies including, in addition to ENBD, Borse Dubai Limited, Dubai Islamic Bank PJSC, Commercial Bank of Dubai P.S.C., Union National Bank PJSC, HSBC Middle East Finance Company Limited, The Emirates Group (including the DNATA Group), Dubai Aerospace Enterprise Limited, Dubai Aluminium Limited, Dubai Cable Company Limited, Emirates National Oil Company Limited, Emaar Properties PJSC, Emirates Rawabi Company P.J.S. and Jeema Mineral Water P.S.C.

ICD works closely with its portfolio companies to identify value enhancing acquisition opportunities as well as providing them with strategic support to aid their growth.

The board of directors of ICD is chaired by H.H. Sheikh Mohammed bin Rashid Al Maktoum and is composed of nine directors.

Strategy

ENBD's vision is to be globally recognised as the leading and most dynamic financial services provider based in the Middle East. ENBD has established the following medium – term strategic imperatives which are aimed at strengthening ENBD and focusing on accelerated growth: (i) optimise balance sheet and capital allocation, (ii) drive profitability, (iii) enhance platforms, and (iv) undertake measured investments in growth areas. ENBD has set specific objectives against the above strategic imperatives, towards which ENBD has seen significant success.

Optimise balance sheet and capital allocation

A key objective for ENBD is to strengthen its overall balance sheet management practices, optimising the asset to deposit ratio while carefully managing cost of funds. ENBD aims to continue its focus on diversifying funding sources. Lending activity will be enhanced by opening up credit appetite and focusing on identified areas of growth such as Mid Corp, SME lending, and consumer finance. Further, ENBD aims to review all Group companies (i.e. subsidiaries and associate companies) and decide on divestment opportunities, increasing stakes or complementary acquisitions.

In 2011, ENBD completed developing a bank-wide economic profit framework to enable measurement of true profitability across its network. ENBD also closed a sale of its 49 per cent. stake in Network International, a controlled subsidiary, to a strategic investor.

Drive profitability

ENBD intends to continue to drive profitability across business segments through focused initiatives. In the Consumer Banking and Wealth Management business segment, ENBD will focus on boosting fee business revenue, thereby enhancing return on assets; growing cross-sell across the customer base; and continuing to enhance the customer service proposition, while reducing base costs by optimising infrastructure.

In the Wholesale Banking business segment, ENBD aims to focus on developing and enhancing the trade finance and cash management capabilities, and driving cross-sell to its clients; and growing the push fee business through increasing treasury sales and debt-led investment banking products.

In the Global Markets and Treasury business segment, ENBD intends to drive treasury product sales and distribution by hiring experienced staff focusing on sales in the UAE, and in international locations i.e. Saudi Arabia and Singapore.

Enhance platforms

ENBD continuously invests in improving its hard and soft infrastructure, i.e. in technology, operations, and people. Enhancing incentives for employees is a key objective within ENBD, which will be achieved through identifying and supporting talent growth within the organisation. ENBD is implementing a leadership development programme for identified talent in partnership with a leading global business school. In addition to supporting talent development, ENBD recognises the need to have best-in-class infrastructure and process capabilities. ENBD has been a regional leader in implementing technology solutions, and will continue to invest in upgrading and enhancing its IT platforms. A lean transformation initiative is currently underway, which is aimed at improving the IT platform. Platform enhancements are also planned across group subsidiaries. A core banking system will be implemented in EIB, and IT platforms in international subsidiaries will be further strengthened. Continuous efforts will also be made by ENBD in driving service excellence across all customer touch points.

All the operational activities of ENBD are in the process of being merged into Tanfeeth, a fully owned subsidiary operating as a business process outsourcing provider. This will benefit the entire ENBD group by offering high quality services, with increased efficiency and consistency across all group companies.

ENBD intends to invest in enhancing the group wide risk strategy, and realigning policies to its changing risk appetite while focusing on higher return segments such as mid-market customers.

Undertake measured investments in growth areas

ENBD intends to explore international opportunities while continuing to exploit domestic opportunities. Within the domestic market, ENBD will continue to implement its growth plans for the private banking business line, and strengthen the SME line. ENBD has the largest domestic branch and ATM network in the UAE, and will continue to enhance its distribution network through selecting, and implementing the most optimal channel mix. ENBD will focus on increasing its branch network and presence in Abu Dhabi.

Internationally, ENBD intends to focus on organic growth in Saudi Arabia, and will consider inorganic expansion opportunities in other regional markets. ENBD will continue initiatives for small scale expansion in selected target markets through the opening of representative offices in key locations.

Competitive Strengths

The merger of EBI and NBD capitalised on the strengths of these banks and positioned ENBD as a market leader in the GCC, creating a strong platform for domestic and international growth. In particular, ENBD believes that its business is characterised by the following key competitive strengths.

A Long History and Established Brand Equity

The legacy banks that make up ENBD have a long history in the region. NBD was incorporated by decree of His Highness Sheikh Rashid bin Saeed Al Maktoum, the Ruler of Dubai, on 19 June 1963 and was the first local bank in the UAE and is the oldest locally incorporated bank in the southern Gulf region. EBI was incorporated by decree of His Highness Sheikh Rashid bin Saeed Al Maktoum, the Ruler of Dubai, on 27 March 1977.

Both NBD and EBI were founded with the strong support of the Government of Dubai and have, since their incorporation, supported Dubai in its development as the leading trading and commercial hub in the GCC region.

The long history of EBI and NBD is reflected in the brand recognition of ENBD, as well as its loyal customer base.

A Highly-Diversified, Market-Leading Domestic Banking Franchise

The banking market in the UAE has traditionally been relatively fragmented as compared both to other markets in the GCC and to more mature markets in Western Europe. As a result of the abovementioned merger, ENBD is now the largest bank in the UAE in terms of total assets, shareholders' equity, customer loans and total deposits and has the largest branch and ATM networks in the UAE. In addition, ENBD believes that its current business mix is more diverse than that of many of its regional competitors. ENBD believes that the scope of its distribution network and delivery channels, combined with the diversity of its product suite, significantly strengthen its competitive position by providing it with greater opportunities not only to expand its domestic client base, but also to grow with its existing customers through increased cross-selling across its capabilities.

Financial Strength and Scale

As at 30 September 2011, ENBD was the largest bank in the UAE in terms of total assets and shareholders' equity. ENBD meets all its regulatory capital requirements and had a Tier 1 capital adequacy ratio of 13.40 per cent. and a total capital ratio of 21.1 per cent. as at 30 September 2011. ENBD believes that the strength of its capital base gives it a competitive advantage over its smaller rivals by lowering its cost of funding while, at the same time, allowing it to arrange financing for larger projects. ENBD believes that these advantages strategically position it to capture the growth potential of domestic and regional markets and expand its regional presence.

Experienced Management Team

ENBD's senior management team has been together for a number of years, working together at the respective legacy banks, and has extensive experience in the banking industry, both domestically and internationally.

Geography

Dubai has a long and prominent history as a trading centre for the Gulf region and its modern ports and airports make it an attractive base for companies establishing in the Middle East. ENBD is well developed to meet the needs of such companies through its electronic trading platform, extensive range of products and services, local market knowledge and experience in providing a full range of financial services to such companies. ENBD is well placed to service increasingly important Middle Eastern markets, through its growing network of international offices, its history of providing cross border services and its ability to provide a range of convenient and competitive financial services to exporters and importers dealing in those regions.

High Tech Environment

ENBD was one of the first banks in the Gulf region to offer electronic banking services to its customers. The opening of a new operations centre and the implementation of new software including the new core banking system and Calypso, a new accounting and risk monitoring system, means that ENBD will be well positioned to cater for its customers' growth needs by leveraging the latest technologies to provide a more dedicated, streamlined and efficient service.

Islamic Banking

ENBD offers customers the choice of full service conventional and *Shari'a* compliant (Islamic) banking. Islamic banking is one of the fastest growing sectors in the finance industry and through EIB, ENBD has already established a strong market presence in this sector, providing *Shari'a* compliant finance products and services to retail and corporate clients since 2004. As at 30 September 2011, EIB provided such services and products from a domestic network of 32 branches.

Activities of ENBD

For financial reporting purposes, ENBD divides its operations into six business segments:

1. Wholesale Banking offers structured financing, current accounts, customer deposits, overdrafts, trade finance, acquisitions, project finance and term loans for corporate, governmental and commercial customers.
2. Consumer Banking and Wealth Management offers current and savings accounts, customer deposits, overdrafts, personal and instalment credit loans, mortgages, investment products, foreign currency and trade finance related facilities.
3. Global Markets and Treasury manages interest and foreign exchange rates activities, inter-bank treasury operations, global funding and ENBD's proprietary book of investments.
4. Investment Banking offers, through the highly qualified team of investment bankers at Emirates NBD Capital Limited (''**ENBD Capital**''), a product suite that is designed to compete with international banks.
5. Islamic Finance is comprised of the income and fees earned and expenses paid by ENBD's Islamic banking subsidiary EIB.
6. Other operations comprise insurance services, credit card facilities and other banking related services, none of which constitutes a separately reportable segment.

Wholesale Banking

ENBD's largest business segment in terms of revenue and assets is that of Wholesale Banking. Wholesale Banking offers a broad suite of products and services to medium and large-sized enterprises, including multinationals, local corporate entities, banks and other financial institutions as well as governmental and quasi-governmental organisations and entities, servicing clients throughout the GCC.

It is divided into three distinct yet complementary business lines, being (i) Corporate Banking; (ii) Transaction Banking; and (iii) International and Institutional Banking and Debt Capital Markets.

Corporate Banking

Corporate Banking offers a broad suite of products and services to medium and large sized enterprises, including the Government and quasi-government entities, multinationals and local corporate entities. The products offered by Corporate Banking are diversified across various lending and deposit products, structured trade finance offerings and treasury products. The range of

services cover account related services, e-banking, cash management and structured product offerings.

To meet customers' needs within each particular geography in the UAE, the activities of Corporate Banking are centralised into nine corporate banking units, six of which are situated in Dubai, one in Abu Dhabi, one in Al Ain and one in Sharjah. A Large Corporate Unit (the ''**LCU**'') manages the needs of large corporate customers. In addition ENBD has set up dedicated teams to serve the medium enterprise segment to focus on this growth area. A separate unit manages the accounts of the Government of Dubai and its departments and authorities. A corporate banking team also operates in Riyadh to serve ENBD's client base in Saudi Arabia.

Asset Composition of Loan Portfolio

A breakdown of ENBD's loan portfolio by industry, as at 30 September 2011, is set out below:

Economic Activity	**Amount**	**Percentage**
	(AED billions)	*(%)*
Sovereign	57.2	30.0
Real Estate	24.7	12.9
Construction	5.5	2.9
Banks and Financial Institutions	30.8	16.1
Services	16.1	8.4
Personal Retail	21.6	11.3
Personal Corporate	9.3	4.9
Manufacturing	6.9	3.6
Trade	7.0	3.7
Transport and Communications	4.4	2.3
Others (rounding)	7.4	3.9
Total Customer Advances	**190.9**	**100**

Corporate Banking Distribution Channels

In addition to its conventional branch network, ENBD's corporate customers can use the internet banking platform for ''SmartBusiness'' which allows corporate customers to take advantage of many services electronically and perform financial and non financial transactions, 24 hours a day, 365 days a year, at their convenience. As well as allowing customers to initiate and authorise transactions electronically, view account statements and reports from their desktop, customers can take advantage of other services such as making telecommunication related bill payments and recharging of the local Salik road toll payments.

SmartBusiness has been recognised for providing superior customer service through its product suite, customer support and convenient technological platform and was the winner of the Middle East E-Banking Regional Leader Awards 2007.

Transaction Banking

Transaction Banking offers a range of transaction banking services, including trade finance and cash management.

ENBD, through the operations of EBI, has over three decades of experience providing trade finance and offers a range of trade related and trade finance products and services to customers, including letters of credit, letters of guarantee, confirmation of documentary credits and documentary collections, as well as trust receipts to customers. Trade finance processing is undertaken by ETFS (as defined under ''– *Subsidiaries and Associates of ENBD*'' below), a wholly owned subsidiary of ENBD, using a state of the art electronic trade finance platform.

Transaction Banking offers a dedicated e-banking platform with online trade services, direct debt solutions and escrow account services.

International and Institutional Banking and Debt Capital Markets

International and Institutional Banking and Debt Capital Markets underwrites and participates in major project and structured finance transactions in the GCC, including undertaking fixed income and capital raising activities for ENBD's international and institutional corporate clients. International

and Institutional Banking and Debt Capital Markets also provides correspondent banking services and manages an array of products and services including debt syndications, trade and payment tie-ups, structured credit, primary and secondary trade financing and asset distribution.

Consumer Banking and Wealth Management

Consumer Banking and Wealth Management is a growing contributor to the revenue and profitability of ENBD, catering to the needs of individual customers by offering a range of current and savings accounts to suit individual banking requirements, managing customer deposits and providing loans, mortgages, investment services, credit cards and debit cards to its customers.

Consumer Banking and Wealth Management is divided into four distinct and complimentary business lines, being (i) Retail Banking; (ii) Private Banking; (iii) Asset Management; and (iv) Consumer Finance.

Retail Banking

ENBD is one of the leading retail banks in the UAE, providing retail banking products and services through a domestic network of 110 branches as at 30 September 2011.

ENBD has the largest network of ATMs (inclusive of cash deposit machines and smart deposit machines) in the UAE, with approximately 641 ATMs, spread across the seven emirates, as at 30 September 2011.

Retail Banking provides a wide range of services including general banking, personal and secured lending and mortgage finance. Retail Banking also operates ENBD's large credit card and debit card business, with over approximately 446,000 credit cards and over 1,098,000 debit cards in issue as at 30 September 2011.

Retail Banking divides its customers into segments according to earnings and functional needs, with products and services packaged for each particular segment, either ''affluent'', ''mass market'' or ''SME''. The affluent segment includes individuals with a significant monthly income, the mass market segment addressed the needs of individuals for standard products and the SME segment is designed to cater for the needs of small and medium sized businesses and their owners. One of the key strategies of ENBD is to capture a greater market share of its key customer segments through more focused products and marketing.

The retail banking division consistent customer-centric based model and dedicated customer service was recognised with the receipt of the ''*Best Personal Loan*'' award from The Banker Magazine in 2010 and ''*The number one banking brand in the Middle East*'' by The Banker in 2009.

Asset Composition of Retail Loan Portfolio

Retail loans are governed by strict policy parameters which are uniformly and consistently applied to the relevant customer segments and businesses based on the policy lending rules. A breakdown of the retail loan portfolio of ENBD by type of customer advance, as at 30 September 2011, is set out below:

Product Type	**Amount**	**Percentage**
	(AED billions)	*(%)*
Personal Loans	6.5	30.1
Mortgages	3.7	17.1
Auto	2.7	12.5
Credit Cards	2.9	13.4
Overdrafts	2.4	11.1
Others	3.4	15.7
Total Customer Advances	21.6	100

Retail Distribution Channels

ENBD is dedicated to making banking as easy as possible for its customers and offers the most extensive utility and bill payment gateway in the UAE. In addition to enabling customer access to the largest number of ATMs in the UAE, ENBD has a wide range of distribution channels and

provides extensive electronic banking options to its customers including internet banking, phone banking and mobile (SMS) banking.

ENBD's internet banking platform allows customers to access their accounts securely and reliably to view account statements and balances (including credit and charge cards), transfer funds between certain accounts, pay utility, telephone and credit card bills, as well as open new accounts, order cheque books and obtain product information.

ENBD's phone banking service allows customers to access various services over the phone including account enquiries, funds transfers and bill payments through self service interactive voice responders or personal agents.

ENBD also provides SMS banking, which gives customers pre-defined alerts sent on their mobile phones and allows customers to make enquiries on their accounts/cards, for example, in relation to withdrawals, ATM card transactions, balance enquiries, salary transfers, accounts summaries foreign exchange rates and utility bill payment.

Private Banking

Private Banking was established by NBD in 2001 to meet the needs of high net worth individuals and provides a full range of banking, wealth management and investment services for the clients of ENBD through approximately 70 relationship managers and five dedicated centres in Abu Dhabi, Dubai, London, Riyadh and Singapore as at 30 September 2011.

By leveraging its brand and financial expertise, ENBD believes that it can become a leader within the GCC in the servicing of this segment. ENBD was awarded ''*Best Private Bank in the UAE*'' by the 2010 Euromoney Private Banking Survey.

Consumer Finance

ENBD has a consumer finance offering through its wholly owned subsidiary Emirates Money Consumer Finance LLC, which offers personal and business loans to self employed and salaried customers, therefore allowing ENBD to provide financial services across multiple market segments. Since its launch in 2008, the business has continued to grow steadily, with product lines now expanded to include merchant loans and commercial vehicle loans.

Asset Management

The asset management business of ENBD is conducted through its subsidiary, Emirates NBD Asset Management Limited. Emirates NBD Asset Management Limited manages significant assets in a wide range of both conventional and *Shari'a* compliant funds.

Global Markets and Treasury

Global Markets and Treasury provides hedging and investment solutions to both corporate and high net worth clients through a dedicated sales team.

Global Markets and Treasury offers a wide range of products and services including market making in UAE dirham and U.S. dollar deposits as well as on UAE dirham based foreign exchange forward products, providing foreign exchange products in the UAE for domestic, GCC and G10 currencies and currency swaps. In addition to maintaining a trading book, Global Markets and Treasury provides the clients of ENBD with prices for local, regional and global bonds, as well as marketing a range of structured investment products.

Traditionally having a strong position in cash products (both loans and deposits as well as foreign exchange spot rate transactions) Global Markets and Treasury has built on this foundation and has been increasingly successful in providing special commission rate hedging solutions (swaps and options) as well as foreign exchange hedging products (forwards and options) to the clients of ENBD.

The objective of Global Markets and Treasury is to retain its strong client focus, while increasingly acting as a provider of sophisticated risk management and investment solutions to its clients. These solutions are typically expected to be structured foreign exchange and special commission rate derivatives (or combinations thereof), sometimes in a *Shari'a* compliant form.

Centralised trading in ENBD's head office maximises revenues from trade and information flows, while facilitating risk monitoring and management. A sales advisory desk in the Kingdom of Saudi Arabia provides for close proximity to clients in this key target market for ENBD.

ENBD's funding needs are centralised through specialist desks within Global Market and Treasury (see ''*Description of Emirates NBD PJSC – Funding*'').

Investment Banking

ENBD provides Investment Banking services through its subsidiary, ENBD Capital. ENBD Capital provides both conventional and Islamic finance investment banking services, advising on and arranging a wide variety of transactions including securitisations, debt and equity capital markets transactions and leveraged finance transactions, as well as providing corporate finance and advisory services.

ENBD Capital works closely with ENBD to leverage its existing corporate and institutional relationships in the MENA region and to target family offices and high net worth individuals already banking within ENBD. ENBD Capital was named ''*Best investment bank in the UAE*'' by Global Finance in February 2011.

Islamic Finance

Islamic banking is one of ENBD's group's fastest growing business sectors and contributes to an increasing proportion of the revenue of ENBD. Through EIB, ENBD offers a range of *Shari'a* compliant financial services to its retail and corporate customers with the objective of conforming to the strictest standards of Islamic finance. All of the activities of EIB are conducted in accordance with a *Fatwa* and under the supervision of its *Shari'a* Board (the ''***Shari'a* Board**'') comprising several prominent *Shari'a* scholars.

EIB's Corporate Banking division provides a comprehensive range of financial products and services to its customers through *Shari'a* compliant structures, including *murabaha*, *ijara, istisna'a, musharaka* and *mudaraba* contracts. EIB's Corporate Banking customers consist of private sector customers, public sector customers and government bodies/agencies and are served through seven Corporate Banking units across the UAE with four units in Dubai, one in Abu Dhabi, one in Sharjah and one in Al Ain, as at 30 September 2011. Additionally, EIB's Business Banking Unit has been set up in Dubai to increase EIB's business with medium sized enterprises. The industries covered by Corporate Banking, comprise, *inter alia*, real estate, financial institutions, trading, manufacturing and services. Whilst customers are primarily in the UAE, facilities are also offered in other GCC countries.

EIB's Retail Banking division offers a comprehensive range of *Shari'a* compliant retail and personal banking products and services through its network of 32 branches located throughout the UAE with 16 branches in Dubai, six in Abu Dhabi, six in Sharjah and one in each of the remaining Emirates as at 30 September 2011.

Other Operations

ENBD has a number of other operations, which comprise property development and management, insurance services, credit card facilities and other banking related services, none of which constitutes a separately reportable segment.

Overseas Operations

ENBD has branches in the United Kingdom, the Kingdom of Saudi Arabia, Singapore and Jersey and a representative office in each of Qatar, India and Iran.

Subsidiaries and Associates of ENBD

ENBD is the parent to a number of corporate entities and ultimately holds investments in certain associates. The principal operating subsidiaries and associates of ENBD are as follows:

(a) ***Listed Subsidiary***

Emirates Islamic Bank PJSC

As described above, formerly known as Middle East Bank PJSC, this subsidiary was incorporated as a public limited company by H.H. Sheikh Rashid Bin Saeed Al Maktoum, Ruler of Dubai, pursuant to Emiri Decree dated 4 October 1975, as amended by Emiri Decree dated 3 April 1976 and registered as a Public Joint Stock Company (Commercial Register No. 30 dated 18 July 1995). The company was acquired by EBI, pursuant to an agreement dated 9 December 1991. In 2004, in response to customer demand for *Shari'a* compliant products on a broader scale the bank was converted to an Islamic bank and its

name was changed to Emirates Islamic Bank. Through its head office in Dubai and 32 branches in the UAE (as at 30 September 2011), EIB provides full banking services and a variety of products through *Shari'a* compliant financing and investment activities and currently ranks as the third largest Islamic bank in the UAE by assets. EIB's authorised capital, as at 30 September 2011 was AED 3 billion, consisting of 3 billion shares of AED 1 each. EIB's paid-up capital, as at 30 September 2011 was AED 2.4 billion. As at 30 September 2011, EIB was 99.8 per cent. owned by ENBD.

As at 30 September 2011, EIB had total assets of AED 22.8 billion, including shareholder funds worth AED 2.7 billion, Tier 1 capital of AED 2.7 billion and Tier 2 capital of AED 1.0 billion. EIB's net profit for the year ended 31 December 2010 was AED 61 million.

Whilst EIB does have a strong degree of independence in the operation of its business, it enjoys a high level of support from ENBD in relation to many support functions including human resources, treasury, information technology, certain administrative services and back office operations such as clearing and remittances. Further, all of EIB's activities are overseen by a *Shari'a* board comprising of Scholars of Islamic law.

(b) ***Listed Associates***

National General Insurance Company PJSC

National General Insurance PJSC (''**National General Insurance**'') was established in 1980 as a limited liability company, and became a public joint stock company in 2001. It is currently listed on the DFM and ENBD currently holds 36.7 per cent. of its issued share capital.

National General Insurance is licensed by the UAE Ministry of Economy and offers a range of general and specialist insurance products including healthcare and life insurance. The company underwrites large and medium sized risks in property, construction, engineering, manufacturing, banking and other service industries.

National General Insurance has a suite of Bancassurance products that are exclusively tailored for the clients of ENBD and which are marketed and offered through the branch network.

National General Insurance also has a credit insurance tie up with Coface of France and an agreement with AVIVA for underwriting and marketing international individual and group life and medical products.

Union Properties PJSC

Union Properties PJSC (''**Union Properties**''), one of the largest property development, management and investment companies in the UAE, started as Union Property Private Limited in 1987 and registered as a public limited company in 1993. It is listed on the DFM and, as at 30 September 2011, ENBD held 47.6 per cent. of its issued share capital.

Union Properties' principal activities include property investment and development, property management, facilities management, project management, interior design and fit-out, and mechanical, electrical and plumbing contracting. These activities are mostly carried out through subsidiary companies, which include Dubai Autodrome, The FITOUT, Edara, ServeU, Thermo, GMAMCO and EMICOOL.

With the downturn in the local real estate market during 2008, 2009 and 2010, Union Properties, among other companies operating in the Dubai real estate market, found its cash flows stretched. Union Properties incurred a loss of AED 1,529 million during 2010. Due to the delay between ENBD publishing its annual financial results and Union Properties' doing the same at a later date, AED 683 million of Union Properties' total 2010 loss was apportioned to ENBD in 2010 based on an estimate of Union Properties' projected financial year loss for 2010 and ENBD's 47.6 per cent. shareholding in Union Properties. Following finalisation of Union Properties' 2010 annual financial results, the remaining balance of ENBD's share of Union Properties' 2010 loss has been apportioned to 2011. Union Properties has now agreed refinancing terms with its lenders in order to meet its funding needs.

For the nine month period ended 30 September 2011 Union Properties generated revenue of AED 3,204 million compared to AED 2,103 million for the nine month period ended 30 September 2010 (an increase of 52 per cent.). Union Properties' operating profit for the nine month period ended 30 September 2011 also increased to AED 264 million (before provisions on valuation of properties) from AED 119 million in the comparable period in 2010

(an increase of 121 per cent.), as handover of properties at its Index Tower and Limestone House developments continued, and net margins improved from 6 per cent. of revenues at 30 September 2010 to 8 per cent. as at 30 September 2011.

Union Properties, however, incurred a net loss of AED 1,500 million for the nine month period ended 30 September 2011 compared with a net loss of AED 751 million in the comparable period in 2010, although this primarily resulted from increased non-cash provisioning against impairment of certain properties in 2011. Total non-cash provisions as at 30 September 2011 was AED 1,764 million compared with AED 870 million as at 30 September 2010. This reflects a cautious approach by Union Properties' management over its asset portfolio, particularly in providing against known contingencies and anticipated impairment of real estate assets.

With regard to ENBD's financial results, ENBD's unaudited condensed consolidated interim financial statements for the nine month period ended 30 September 2011 takes into account the following in respect of Union Properties:

(i) an adjusted loss of AED 74 million relating to, but (as mentioned above) not previously apportioned to ENBD in, the financial year ended 31 December 2010 was apportioned to ENBD in the first quarter of 2011; and

(ii) impairment charges of AED 426 million were booked by ENBD in the first quarter of 2011 based on the valuation of ENBD's equity investment in Union Properties calculated by reference to the present valuation of discounted future cash flows.

The carrying value of ENBD's investment in Union Properties will be reassessed in the fourth quarter of 2011 through reassessment of Union Properties' financial position and expected future cash flows and any changes will be reflected in the financial statements of ENBD for the year ended 31 December 2011.

(c) ***Unlisted Subsidiaries***

Emirates NBD Asset Management Limited

Emirates NBD Asset Management Limited (formerly known as Emirates Investment Services Limited) was established in 2007 and offers a broad spectrum of investment products and services. It is wholly owned by ENBD and operates from the Dubai International Financial Centre (the ''**DIFC**'') and is regulated by the Dubai Financial Services Authority (the ''**DFSA**'').

Emirates NBD Securities LLC

Formerly known as Emirates International Brokerage, this wholly owned subsidiary of ENBD was established in 2002. It specialises in the provision of securities trading and brokerage services to investors who wish to trade in locally listed equity and debt securities. The company is a registered broker with the DFM, the Abu Dhabi Securities Exchange and NASDAQ Dubai (formerly known as the Dubai International Financial Exchange) and is one of the leading brokerage businesses in the UAE.

E.T.F.S. LLC

E.T.F.S. LLC (''**ETFS**'') is a wholly owned subsidiary of ENBD which provides trade finance services outsourcing to banks in the MENA region. ETFS uses technologies such as imaging and workflow to automate the full range of trade finance activities, providing a paperless and scalable trade services platform that enables internet access to transaction data and document images.

Emirates NBD Capital Limited

ENBD Capital is a wholly owned subsidiary of ENBD. ENBD Capital was incorporated in the DIFC in 2006 (see also ''– *Investment Banking*'' above).

Further information on the abovementioned subsidiaries can be found in the audited annual consolidated financial statements of ENBD for the year ended 31 December 2010, which are incorporated by reference into this Base Prospectus.

(d) ***Jointly Controlled Subsidiary***

Network International LLC

Established in 1994, Network International LLC (''**Network International**'') is a jointly controlled subsidiary of ENBD (which retains a 51 per cent. shareholding in Network International following the completion of the sale by ENBD of 49 per cent. of the share

capital of Network International to a strategic investor on 31 March 2011 for a net consideration of AED 1,388 million) and is one of the leading card payment services providers in the MENA region focused on meeting the needs of banks, financial institutions and retailers. It is a principal member of both Visa Inc. and MasterCard International offering customers a comprehensive range of products and services in both the issuing and merchant acquiring segment of the card industry in the MENA region.

In addition to the processing and management services offered, Network International also provides consultancy services ranging from planning and designing to the development of new products and services and providing sponsorship with Visa Inc. and MasterCard International.

To date, Network International provides credit and debit card processing services, ATM sharing and ATM management services to more than 42 banks in the MENA region.

As a merchant acquirer in the UAE, Network International has a market share of more than 65 per cent. through its network of electronic funds transfer at point of sale (EFTPOS) terminals. Network International has also established merchant acquiring, processing and recruitment partnerships with third party customers (including American Express, Diners Club, JCB International and eCompany for e-commerce merchant services).

Acquisition of Dubai Bank PJSC

On 11 October 2011, H.H. Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE, in his capacity as the Ruler of Dubai ordered that ENBD acquire the entire outstanding share capital of Dubai Bank PJSC (''**Dubai Bank**''). This follows a consistent strategy of the Government of Dubai in carefully monitoring the banking sector in the Emirate and taking measures necessary to ensure the continued viability of financial institutions operating in Dubai.

The acquisition (the cash consideration for which will represent fair valuation for Dubai Bank) is expected to complete in the last quarter of 2011 (although a date for completion of this acquisition has not been confirmed) and as such, the financial statements of ENBD that are incorporated by reference into this Base Prospectus are unchanged by this transaction.

ENBD's Competition

ENBD faces competition in all of its principal business areas and ENBD's principal competitors include both banks that are locally incorporated (conventional and Islamic) as well as certain foreign banks operating in the UAE. As at 30 September 2011 there were 51 banks holding full commercial banking licences in the UAE, of which 23 were locally incorporated. The following table shows rankings for banks operating in the UAE by total assets and equity as at 30 September 2011 and by net profits for the nine month period ended 30 September 2011 (Source: *each bank's published financial statements*).

Ranking by Total Assets

Ranking	Bank	Amount
		(AED billions)
1	**Emirates NBD**	**271.9**
2	National Bank of Abu Dhabi	242.0
3	Abu Dhabi Commercial Bank	183.1
4	First Gulf Bank	156.3
5	Dubai Islamic Bank	93.5
6	Mashreqbank	80.0

Ranking by Net Profits

Ranking	Bank	Amount
		(AED billions)
1	National Bank of Abu Dhabi	3.0
2	First Gulf Bank	2.7
3	Abu Dhabi Commercial Bank	2.5
4	Emirates NBD	2.3
5	Union National Bank	1.4
6	Abu Dhabi Islamic Bank	0.9

Ranking by Equity

Ranking	Bank	Amount
		(AED billions)
1	**Emirates NBD**	**35.1**
2	National Bank of Abu Dhabi	26.1
3	First Gulf Bank	25.8
4	Abu Dhabi Commercial Bank	21.6
5	Union National Bank	13.0
6	Mashreqbank	12.8

Risk Management

The operations of ENBD require continuous management of particular risks or combinations of risks. Risk management is the identification, analysis, evaluation and management of the factors that could adversely affect ENBD's resources, operations and financial results. The main risks that concern ENBD are credit, operational, market, liquidity, legal and currency risks. ENBD aims to manage its exposure to these risks conservatively.

The responsibility for overall risk management for ENBD lies with the board of directors of ENBD with an oversight function exercised by its General Manager, Risk who has a direct reporting line to the Chief Executive Officer on ENBD's Board Risk Committee.

Each department within ENBD is responsible for:

- identifying and measuring the risks that ENBD is exposed to and considering whether those risks are significant;
- developing and recommending for approval appropriate risk management policies and procedures regarding those activities and business units, which are susceptible to significant risk, including business continuity plans. All significant risk management policies must be approved by the board of directors of ENBD;
- providing direction regarding ENBD's overall risk philosophy and risk tolerance, including considering whether certain new business proposals referred to, for example, the Assets and Liabilities Committee (''**ALCO**'') or its Board Credit and Investment Committee (''**BCIC**''), are acceptable from a risk management perspective;
- monitoring compliance with risk management policies and procedures; and
- reporting any policy or major practice changes, unusual situations, significant exceptions and new strategies to the board of directors of ENBD for review, approval and/or ratification.

In addition to its internal procedures and systems, ENBD is required to comply with the guidelines and regulations of the UAE Central Bank.

ENBD has a full-time Compliance Officer, whose role is to establish standards of ethics, confidentiality, privacy, know your customer (''**KYC**'') policies and other hallmarks of good governance, such as avoidance of conflicts of interest. The Compliance Officer provides training to new and existing staff in respect of these issues. Compliance is an independent unit within ENBD's risk management infrastructure and is responsible for compliance throughout ENBD and its operating companies.

Credit Risk

Credit risk is the risk that a customer or counterparty will fail to meet a commitment, resulting in a financial loss to ENBD. ENBD is exposed to credit risk through traditional lending to corporate, retail and institutional customers and transactions involving settlements with counterparties, including other financial institutions. These include direct loans, commitments to extend credit and settlement exposures.

ENBD manages credit risk by setting limits for individual borrowers, groups of borrowers, and geographical and industry segments. ENBD also monitors credit exposures and continually assesses the creditworthiness of counterparties and considers it appropriate to obtain security where it determines that the creditworthiness of the customer does not merit an unsecured facility or where it determines that such security is necessary to mitigate the credit risk. In addition, ENBD enters into master netting arrangements and collateral arrangements with counterparties and limits the duration of exposures.

ENBD sets policies and procedures for managing its credit risks. Credit exposures are monitored through exception reports, annual review of facilities, short-form reviews and periodic revaluation of collateral.

ENBD has developed application and behavioural scorecards for all major retail products, including personal loans, credit cards, home loans and auto-loans. ENBD has accumulated significant amounts of data on defaults/losses for these portfolios and statistical approaches have therefore been used in the development and validation of these scorecards. These scorecards are monitored regularly and independently validated at least once a year to ensure their predictive ability is maintained over time. Due to the traditionally low default rates on the corporate loan portfolio, it was not statistically viable to develop scientific scorecards for corporate lending and instead ENBD has adopted the ''Delphi'' approach where the expected judgment of the credit underwriters is used to rank order a sample of the portfolio and the qualitative and quantitative information from this sample is then used to develop internal rating models. ENBD is in the process of developing a second generation model for corporate portfolios. This model uses default information since 2008 and is expected to increase the accuracy of the forecasts (or outputs) of ENBD's corporate models significantly.

ENBD has also developed an internal probability of default rating model for the financial institutions portfolio using the ''Shadow Ratings'' approach which aims to mimic the external ratings of the financial institutions assigned by Fitch, Standard & Poor's Financial Services LLC and Moody's. A robust early warning framework has also been developed and implemented along with the rating model to efficiently monitor the internal ratings. An internal probability of default model for small and medium sized enterprises has also been developed and implemented by ENBD.

ENBD's BCIC provides the strategic framework to govern the extension of credit, manage the risk of the loan portfolio, ensure sufficient returns on the portfolio, and authorise individual or group credits within established guidelines.

See ''*Credit Approval Procedures*'' below for further details on how this risk is managed by ENBD.

Market Risk

Market risk includes foreign exchange rate risk, interest rate risk, liquidity risk and proprietary trading risk. Market risk management is designed to limit the amount of potential losses on open positions that may arise due to unforeseen changes in foreign exchange rates, interest rates or securities prices. ENBD is exposed to diverse financial instruments including securities, foreign currencies, equities and commodities and deals in both physical and derivative instruments.

ENBD pays considerable attention to market risk and uses models, in accordance with standard market practice, for the valuation of its positions and receives regular market information from a common market data provider in order to regulate its market risk.

The policies, procedures and trading limits are set to ensure the implementation of its market risk policy in day to day operations. These are reviewed periodically to ensure they remain in line with ENBD general market risk policy.

Foreign Exchange Rate Risk

ENBD uses hedging strategies to ensure foreign exchange positions are maintained within established limits. ENBD believes that it has a conservative policy towards such risks and has set limits on positions by currency and exchange rate movement. Exchange rate risk is measured

using position reports showing the net long or short position for currencies, which are monitored on a real-time basis using Reuter's Kondor plus system. Exchange rate risk is actively managed using spot and forward foreign exchange contracts.

Foreign exchange positions and profit and loss for foreign exchange, are reviewed on a daily basis by Global Markets and Treasury and on a weekly basis by the Chief Financial Officer. All positions are marked to market daily in accordance with International Financial Reporting Standards (''**IFRS**'') issued by the International Accounting Standards Board. Daily exception reports are reviewed for financial institutions/counterparty limits and country limits.

Interest Rate Risk

ENBD manages the risk of changes in interest rates affecting future profitability or the fair values of financial instruments through risk management strategies. Interest rate risk is measured using an interest rate re-pricing report that includes period and cumulative gap analysis. An interest rate sensitivity position (PV01) is reported, based on contractual re-pricing dates, as well as on a behavioural basis. All financial instruments are accounted for in accordance with IFRS.

Interest rate risk is actively managed using derivative instruments (including, for example, interest rate swaps and forward rate agreements). Positions are reviewed on a daily basis by Global Markets and Treasury which addresses on-balance sheet and off-balance sheet mismatches and action taken or planned to reduce any significant mismatches. ENBD's ALCO monitors structural mismatches on a monthly basis.

Trading Policy

ENBD believes that it has a conservative trading policy. New products are authorised only if an adequate infrastructure has been assured and approved by senior management.

Treasury trading limits for foreign exchange, bonds, equities and derivatives are set annually and approved by relevant authorities. Global Markets and Treasury is responsible for managing trading risk exposure within global trading risk limits. There are systems and procedures in place to monitor and report positions and the related exposure on a daily basis.

Liquidity Risk

Liquidity risk is the risk that ENBD may be unable to meet its funding requirements, which can be caused by political uncertainty, market disruptions or deterioration in its credit ratings. ENBD considers its liquidity risk to be low relative to other regional banks, due to the liquid nature of its balance sheet.

ENBD has over the years built up a strong liquidity base by building up ''Liquidity Asset Buffers'' through the core fixed income book, which is invested in highly-rated (''A'' and above) and liquid, international fixed income securities and which is now focused more on securities.

As at 30 September 2011, ENBD's loans to deposit ratio stood at 1.07. Liquidity for ENBD is managed actively by Global Markets and Treasury and is overseen by the ALCO.

ENBD has been able to adequately deal with liquidity or funding stresses in the past and has structured its assets in such a way that funding is reasonably assured, thereby regulating its refinancing risk. It has adopted a diversification strategy in an attempt to prevent over-exposure to any particular market.

The quality of ENBD's investment portfolio ensures its liquidity and, together with its own funds and ''sticky'' customer deposits, forms a stable funding source. Even under the adverse conditions prevailing in 2008, 2009 and early 2010, ENBD was able to access the funds necessary to cover customer needs and to meet its funding requirements.

ENBD prepares a maturity gap analysis, which helps identify potential liquidity risks in advance.

Liquidity in UAE dirhams is available through the sale of U.S. dollar denominated securities and subsequent sale of the U.S. dollar proceeds to the inter-bank market (or to the UAE Central Bank) on a same-day basis if required. Liquidity can be easily switched from U.S. dollars to UAE dirhams and *vice versa* due to the fixed nature and narrow spread of the foreign exchange peg.

ENBD's ALCO monitors the group liquidity position monthly, or more frequently when needed.

Operational Risk

Operational risk is the risk resulting from inadequate or failed internal processes and methodologies, human error, systems or from external events.

In each of ENBD's business units, the divisional head is responsible for the effective management of these risks, including identification, assessment and overview. These business managers are supported by a framework consisting of a governance structure, a suite of risk-mitigating policies and skilled operational risk professionals employed throughout ENBD.

ENBD's risk management division monitors operational risk issues on a regular basis, reports major deviations from approved parameters and prepares regulatory risk related reports. The risk management division reviews and approves all bank documentation, new products and any variations to existing products before they are finalised and implemented. The risk management division also reviews new sections and amendments to existing sections of the policies and procedures manuals before they are released.

ENBD regularly carries out operational risk reviews. The main objectives of these reviews are to identify the risks inherent in each area, analyse them in terms of their severity and likelihood, and develop mitigation strategies for these risks. ENBD agrees key risk indicators during these review sessions in order to facilitate ongoing monitoring of risks.

Legal Risk

Legal risk is the risk that a customer or counterparty will commence proceedings against ENBD, or one of its operating companies.

ENBD has an internal legal department which deals with both routine and more complex legal issues. Situations of a particular complexity and sensitivity are referred to external law firms, either in the UAE or overseas, as appropriate.

Credit Approval Procedures

Credit Exposure

The lending policy of ENBD is guided by its credit policy, which is reviewed from time to time in light of market conditions. At all times, ENBD strictly adheres to and observes the individual and aggregate percentage limits regulating large exposures stipulated by the UAE Central Bank. Such limits may be exceeded **provided that** the UAE Central Bank's prior approval is sought. ENBD's lending limit for large exposures is calculated quarterly on its capital base as published in its annual accounts.

Retail Banking Credit Approval Procedures

ENBD's retail lending policy sets forth clear guidelines for specific retail loan products such as personal loans, auto loans, credit cards and home loans. ENBD's retail lending policy is recommended by the Head of Group Retail Credit and is jointly approved by the Head of Consumer Banking and Wealth Management as well as the General Manager, Risk. The retail lending policy (consolidated with any changes made during the previous year) is put up to the BCIC for ratification annually. Any significant policy changes to ENBD's risk appetite are pre-approved by the BCIC.

The retail credit policies are dynamic and are amended based on the prevailing market situation to ensure that products have marked to market offering and to ensure risk containment measures are in place. The policy, for example, was significantly amended in November and December 2008 in order to ensure responsible lending and control portfolio growth.

Retail lending is normally restricted to salaried individuals and, on a selective basis, to self-employed individuals. Generally, retail loans are secured by an assignment of salary, mortgages or liens over property (in respect of home loans) and liens on vehicles (in respect of auto loans).

Discretionary lending authorities have been delegated to lower management levels, however escalations to senior authorities are required depending on the severity of any exceptions required. Every application for a retail loan facility must first be recommended by the sales force and reviewed and approved by the retail credit department. Retail Lending is centralised through the retail credit centre, which handles underwriting and disbursements.

Group Retail Credit carries out monthly portfolio health checks at each product level, reviewing income segments, nationality, company categories, vehicle types (if applicable) and salary

multiples. This allows strategic guidance to be given to product teams in terms of sourcing and asset growth in the approved customer segments.

Corporate Banking Credit Approval Procedures

ENBD maintains and updates its corporate credit policy and a related credit procedures manual from time to time as market conditions warrant and new products enter the market. Together these two documents set forth the types of business and sectors that ENBD is willing to participate in, its policy on security, details of its credit facility application processes, guidelines on credit authorities, borrower risk grading, identification of impaired credits and provisioning.

ENBD's corporate credit policy consists of concise and specific business guidelines and rules that allow its management to attain and maintain its preferred portfolio of good quality counterparty risk exposures firmly in line with its underlying business strategy and objectives. The policy is designed to ensure that lending officers deal with key credit issues, give relationship officers specific guidance on the policy so that they can use their marketing time most effectively and give credit officers specific guidance on what business proposals comply with this credit policy and how credit policy exceptions should be handled. These procedures also ensure that appropriate controls exist at all stages of the credit process.

ENBD has in place a formal application process for corporate credit approval and all credit proposals originate from the individual business unit, with the primary responsibility for credit facilities resting with the executives recommending the facility. The individual business unit has only a small delegated authority to approve credit facilities and credit approvals above the delegated authority of the business unit are referred to the Head Office Group Credit Department (''**GCD**''), where risk assessment managers evaluate the proposals and provide their recommendations. The senior management and GCD have certain delegated authority to approve credit facilities. Credit facilities above this delegated limit need to be approved by the Deputy CEO – Wholesale Banking or the Chief Executive Officer, up to their delegated authority, or recommended for approval to the BCIC or the Management Credit and Investment Committee. All facilities approved by the individual business units are reported to GCD on a monthly basis or immediately upon approval, depending on the sanctioned amount.

In order to ensure further control and subject to some exceptions (such as fully cash secured facilities), the BCIC reviews and notes all credit facilities above a certain threshold even if the credit facilities have been approved within the delegated limits.

Any credit facility not recommended by an appraiser cannot be approved by the authority at the next level, even if the proposed limits are within his/her delegate authority. Such credit facilities can only be approved by the authority at the level above (i.e. the two levels above the initial appraiser who did not recommend the credit facility).

ENBD has an automated system for due dates for facility reviews. This automated system highlights when a due date has past, as well as highlighting when limits have been exceeded. Whilst excesses are monitored daily by Independent Credit Administration Units and reported to GCD, any cases of non-conformance with the terms of the facility are also monitored on a monthly basis by GCD and escalated up to the Deputy CEO.

Security Procedures

ENBD has a standard set of security documentation, which is used in various combinations depending on the facilities granted. In a limited number of cases documents are prepared or reviewed by external law firms appointed by ENBD. These documents are also reviewed by ENBD's in-house legal team.

ENBD requires that all documentation is completed before any facilities are drawn. The post-approval processes and documentation are handled by Credit Administration Units. All documents are reviewed by the individual business units before being passed on to Credit Administration Units for final review, whereupon they are stored in a fire proof environment.

The security required for a particular facility is actually held by ENBD and verified and confirmation of the fact is given independently by the relevant Credit Administration Unit, at least once a year. Following this confirmation of security documentation held, any additional security required is formalised and approval sought.

All security documents of corporate credit facilities of over AED 5 million are reviewed by ENBD's legal department prior to disbursement.

Impaired Loans

IFRS sets forth strict principles for the recognition and provisioning of impaired loans and advances. ENBD has therefore established and maintained regular procedures for the recognition of actual and potential bad debts, identification of non-serviced, unearned or overdue interest and for methodical assessment of potential loan losses.

The primary responsibility for recognising and reporting adverse credit features on any borrowing account lies with the business unit responsible for recommending the lending and for day-to-day management and monitoring of that account. When potential problem credit facilities are identified, they are transferred to a ''watch list'' and are monitored closely. The credit facilities may be transferred to the ''watch list'' for a number of reasons, such as any security given not adhering to approval terms or being overdue for review by 90 days.

In line with UAE Central Bank requirements, ENBD classifies those accounts where recovery is considered doubtful and ensures provisions are made accordingly. Delinquent accounts are broadly classified as Substandard, Doubtful or Loss.

Those accounts where agreed payments of principal and/or interest are more than 90 consecutive days in arrears are classified as ''Substandard accounts''. The accrued interest remains suspended while a minimum provision of 25 per cent. of the net exposure amount is made.

Those accounts where partial loss of principal is expected and full recovery of interest and fees is not expected are classified as ''Doubtful accounts''. The accrued interest is suspended from the date that accounts are so classified and a minimum provision of 50 per cent. of the net exposures is made.

Those accounts where a full loss of principal and interest is expected and where ENBD has exhausted all recourse to recovery are classified as ''Loss accounts''. 100 per cent. of the net exposure amount is provided in such cases.

All accounts classified as ''Doubtful accounts'' and ''Loss accounts'' constitute a ''bad and doubtful debt'' and, unless it is believed that the debt can be recovered by the business units, the debt is then transferred to the Special Loans Group (the ''**SLG**''), a unit that specialises in remedial management. The remedial management of accounts and the booking of provisions for accounts not transferred to the SLG continue to be the responsibility of the individual business unit.

ENBD generally waits until all legal and other remedies are exhausted before writing-off fully provisioned loans.

For the nine month period ended 30 September 2011, the Group's net profit was AED 2.3 billion and consequently approximately AED 0.4 billion (20.6 per cent.) higher as compared to the corresponding nine month prior period ended 30 September 2010. However, this was primarily due to the AED 1.8 billion net gain realised by ENBD on the disposal of a partial stake (49 per cent.) in Network International (see ''*Subsidiaries and Associates of ENBD – Jointly controlled subsidiary*'' above for further information on this disposal). Notwithstanding the increase in net profit, Group operating profit was AED 1.035 billion for the nine month period ended 30 September 2011, which was approximately AED 1.1 billion (53 per cent.) lower as compared to the corresponding nine month prior period in 2010. This drop in operating profit was due primarily to further increased allowances for impairments during the period. The impairment allowance on ENBD's financial assets in respect of the first nine months of 2011 grew to AED 10.9 billion compared to AED 7.5 billion in the comparable period in 2010, in response to continuing market volatility in early 2011.

As at 30 September 2011, ENBD's impaired loans amounted to AED 26.9 billion (or 12.9 per cent. of gross loans and receivables), 45 per cent. of which have been provisioned for by impairment allowances of AED 12.1 billion. Impaired loans include ENBD's exposure to the Dubai World Group and Dubai Holding and its subsidiaries (the ''**Dubai Holding Group**''), amounting to AED 14.0 billion of debt that has been or is expected to be restructured. Excluding the impact of these exposures, the ENBD's impaired loans amounted to 12.9 billion (or 6.2 per cent. of gross loans and receivables) 80 per cent. of which have been provisioned for by impairment allowances of AED 10.4 billion.

The impairment charge for the nine month period ended 30 September 2011 amounted to AED 3.9 billion compared with AED 3.0 billion for the nine months ended 30 September 2010. This was primarily driven by additional conservatism applied to ENBD's recognition of impaired loans and the

levels of provisions made in respect of those impaired loans, as a result of which AED 1.5 billion was added to portfolio impairment allowances during the nine month period ended 30 September 2011, taking total portfolio impairment allowances to AED 3.7 billion or 2.5 per cent. of unclassified credit risk weighted assets. In respect of the third quarter of 2011, ENBD has included in its impaired loans and impairment allowances the full estimated impact of the Dubai Holding Group restructurings.

ENBD continues to pro-actively manage credit quality and delinquencies and impaired loans across its corporate and retail portfolios. The following table summarises the movements in allowances for impairment for loans and receivables for the nine month periods ended 30 September 2011 and 30 September 2010, and the years ended 31 December 2010 and 31 December 2009.

Movement in allowances for impairment	**30 September 2011 (Unaudited)**	**30 September 2010 (Unaudited)**	**31 December 2010 (Audited)**	**31 December 2009 (Audited)**
		(AED millions)		
Balance of allowances for impairment as at 1 January	8,322	5,948	5,948	3,314
Allowance for impairment made during the period	4,309	2,856	3,210	3,190
Recoveries made during the period	(552)	(92)	(363)	(182)
Amount written off during the period	(11)	(474)	(473)	(374)
Exchange and other adjustments	1.362	0	0	0
Balance of allowances for impairment as at the end of the period	12,069	8,238	8,322	5,948

ENBD made specific provision for its exposure to the Dubai World Group in 2010 and in the nine month period ended 30 September 2011. Such specific provision in respect of ENBD's exposure to the Dubai World Group is included in the impaired loan calculations provided in this ''*Impaired Loans*'' section above and in the table above.

Legal and Internal Audit

Industry Regulation and Supervision

Banking and financial institutions in the UAE are subject to governmental supervision and regulation exercised by the Securities and Commodities Authority (''**SCA**''), the UAE Central Bank and the competent local authority in the Emirate in which the institution is registered, which in Dubai is the Department of Economic Development.

The principal source of banking regulation in the UAE is the UAE Central Bank. The UAE Central Bank provides prudential supervision (see also ''*The United Arab Emirates Banking and Financial Services System*'') of each bank's capital adequacy, liquidity and anti-money laundering controls and its general banking activities. Monitoring by the UAE Central Bank is undertaken by way of regular inspections of banks and their records and the requirement for regular submission of data including, but not limited to, deposited funds, loans and mortgage business, liquidity status and anti-money laundering measures. ENBD submits monthly, quarterly and annual reports to the Banking Supervision and Examination Department of the UAE Central Bank. In addition, ENBD's Memorandum and Articles of Association and any amendments thereto, its audited financial statements, its distribution of dividends and certain other documents are all approved by the UAE Central Bank.

SCA is the predominant authority controlling the operation and governance of public joint stock companies generally, while the Department of Economic Development has a very wide jurisdiction in relation to issues such as the incorporation of companies and the regulation of internal and external trade.

ENBD's business units and subsidiaries are engaged in a wide range of banking and investment activities which also fall within the jurisdiction of a variety of other regulatory regimes located both within the UAE and abroad. In the UAE, ENBD Capital is regulated by the DFSA. ENBD's activities conducted in countries other than the UAE fall under the jurisdiction of other regulators and

include the following: the Capital Markets Authority and the Saudi Arabian Monetary Authority in Saudi Arabia; the Monetary Authority of Singapore in Singapore; the Central Bank of Qatar and the Qatar Financial Centre Regulatory Authority in Qatar; the Reserve Bank of India in India; the Jersey Financial Services Commission in Jersey; and the Financial Services Authority in the United Kingdom.

ENBD has an excellent track record in meeting applicable regulatory standards and neither the UAE Central Bank nor any other regulatory authority has raised any material breaches of applicable regulatory standards or imposed sanctions in respect of ENBD.

Internal Audit

Operating under a mandate from the board of directors of ENBD, Group Internal Audit provides internal auditing services across all ENBD companies. Group Internal Audit has a principal reporting line to the Board Audit Committee (the ''**BAC**''), a body composed of non-executive directors. Planned audit activities are subject to review and approval by the BAC, which also evaluates and approves the level of resources available to Group Internal Audit for such activities.

The BAC meets five times annually to discuss the audit reports produced by Group Internal Audit and to discuss the status of management actions on any issues previously raised with the committee. In addition to these meetings, the Executive Vice President – Group Internal Audit has access to the Chairman of the BAC and the Chief Executive Officer as required.

The primary objective of Group Internal Audit is to independently assess the adequacy and effectiveness of the control framework through which the activities of ENBD are conducted. Group Internal Audit operates on a three year review cycle using a risk-profiling model to assess the relative degree of risk in each of the auditable business units and ensuring consistency in the assessment of risk across the Group.

Group Internal Audit is organised into specialist teams aligned with the group's primary business and support areas. Group Internal Audit focuses on the employment of professionally qualified individuals with industry specific experience.

Group Internal Audit is itself subject to a review approximately every two years by independent third party assessors appointed by the BAC.

Real Property

The book value of freehold land and property owned by ENBD as at 31 December 2010 was AED 896 million.

Capital Expenditure

ENBD does not expect to incur capital expenditure outside its ordinary course of business. For the year ending 31 December 2010, ENBD incurred approximately AED 513 million of capital expenditure, compared to approximately AED 522 million for the year ended 31 December 2009. For the nine month period ending 30 September 2011, ENBD incurred approximately AED 221 million capital expenditure. In respect of the last quarter of 2011, ENBD expects to undertake additional capital expenditure, principally for investment in infrastructure, including the opening of new branches, increasing the number of ATMs, upgrading office premises as well as investing in new technology.

Capital Adequacy

The UAE Central Bank has traditionally imposed a 10 per cent. minimum total capital ratio to be maintained by banks in the UAE, however, as a result of the global economic slowdown, the UAE Ministry of Finance announced on 31 August 2009 that banks operating in the UAE would be required to have a minimum total capital ratio of 11 per cent. by 30 September 2009 and a minimum total capital ratio of 12 per cent. by 30 June 2010.

The UAE Central Bank has traditionally imposed a 6 per cent. minimum on the Tier 1 capital ratio that has to be maintained by banks' in the UAE. However, the UAE Ministry of Finance also announced on 31 August 2009 that banks operating in the UAE would be required to have a minimum Tier 1 capital ratio of 7 per cent. from 30 September 2009 and a minimum Tier 1 capital ratio of 8 per cent. by 30 June 2010. A bank's Tier 2 capital will only be considered for capital adequacy purposes up to a maximum of 67 per cent. of its core Tier 1 capital. The UAE Central

Bank allows general provisions, undisclosed reserves, hybrid capital instruments and subordinated term loans to be in principle eligible for inclusion in the calculation of Tier 2 capital.

While the calculation of capital adequacy ratios in the UAE follows the BIS guidelines, claims on or guaranteed by GCC central governments and central banks are risk weighted at zero per cent. and claims on GCC government non-commercial, public sector entities will be risk-weighted pursuant to the guidelines of the UAE Central Bank.

When assessing the capital adequacy of an individual bank, the UAE Central Bank will take a number of factors into consideration, such as the extent and nature of credit concentration, policies and procedures and internal control systems and may set a higher total capital requirement for that particular bank if it deems it necessary.

In June 2009, EBI issued AED 4 billion of Tier 1 securities to ICD (ENBD's main shareholder) in order to help satisfy its UAE Central Bank requirements (as a result of the amalgamation, ENBD is now considered to be the issuer of the securities). This follows the action taken by the government of Abu Dhabi in February 2009 to boost the capital of its five main banks using similar instruments (see ''*The United Arab Emirates Banking and Financial Services System – Recent Developments – Capital Adequacy*'' below).

ENBD's capital was increased in March 2009 by the conversion of AED 12.6 billion of deposits from the UAE Federal Government into longer-term subordinated debt, which is classified as Tier 2 capital.

Currently ENBD is above the UAE Central Bank imposed requirement, with a total capital adequacy ratio of 21 per cent. and a Tier 1 capital adequacy ratio of 13.4 per cent. as at 30 September 2011.

Under Union Law No. (10) of 1980 Concerning the Central Bank, the Monetary System and Organization of Banking, banks are required to transfer 10 per cent. of profit each year into a statutory reserve until this reserve makes up 50 per cent. of capital. Distributions cannot be made from this reserve, except in special legally defined circumstances. All dividends have to be authorised by the UAE Central Bank.

Distributions of Profit

Distributions of profit to shareholders are subject to a comprehensive risk management system that is reviewed at the management level and the ALCO level to ensure the appropriate distribution levels taking into account ENBD's performance, competitor profit distributions and market conditions. ENBD has historically pursued a conservative dividend policy, preferring to build its capital and use such capital to preserve shareholder value.

Basel II

ENBD has implemented the standardised approaches for credit risk under Basel II, and complies with the corresponding requirements as set out by the UAE Central Bank. Further, ENBD is currently implementing the internal rating based approaches for credit risk under Basel II and is in contact with the UAE Central Bank on the underlying group-wide roll-out and migration plan. It should be noted that final regulations on internal ratings-based approaches have not yet been published by the UAE Central Bank.

Basel III

ENBD's current Tier 1 and total capital adequacy ratios are higher than the future targets suggested by Basel III. The UAE Central Bank is expected to issue UAE specific guidelines in due course.

Anti-Money Laundering Policies

ENBD has implemented detailed anti-money laundering and KYC policies and procedures. The responsibility for implementation and compliance rests with Group Risk.

As part of its anti-money laundering policy, ENBD conducts a KYC check, which is mandatory for all new accounts. A customer profile is created at the time of account opening and is updated as customer circumstances change and develop during their time with ENBD.

ENBD has appointed an Anti-Money Laundering Reporting Officer (''**AMLRO**'') who reports to the Compliance Officer. The AMLRO is responsible for policy development and awareness, as well as

suspicious transaction detection and reporting, responding to staff queries regarding anti-money laundering issues and implementation of an automated anti-money laundering system. All cash transactions are closely monitored and suspicious transactions are reported to the relevant branch manager or Business Unit Head. ENBD has also implemented a ''Sanctions Policy'' approved by the Executive Committee that covers doing business with countries that are subject to all sanctions issued by the UAE Central Bank as well as the United Nations. In addition, ENBD has a ''High Risk Accounts Policy'' that covers enhanced due diligence and escalated approval processes for relationships with regards to high risk businesses and customer segments as covered by UAE Central Bank regulations and in accordance with ENBD's internal risk based approach towards money laundering.

All staff are required to be aware of ENBD's anti-money laundering policy and procedures. The policies and procedures on anti-money laundering are easily accessible and available to all staff through ENBD's intranet. In addition, ENBD conducts specific training programmes for customer-facing staff.

Funding

Global Markets and Treasury manages the overall short-term and long-term liquidity of ENBD, guided by the overriding principle of prudent liquidity management and with frequent reporting and instruction from the ALCO.

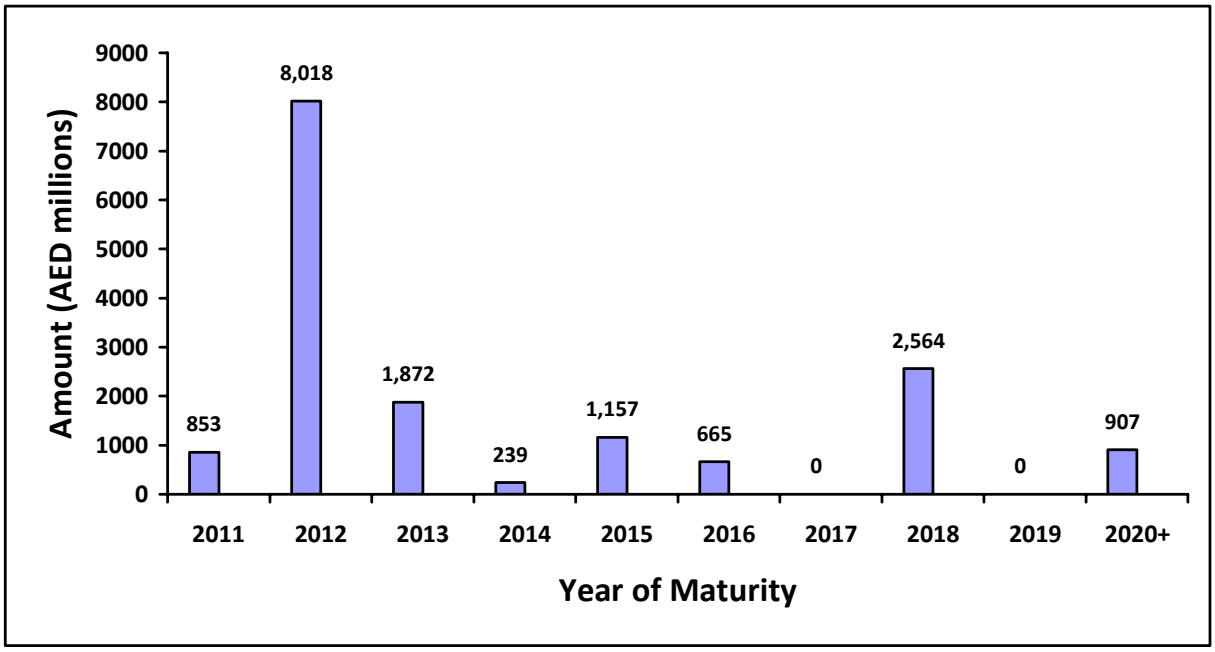
The majority of ENBD funding is provided by customer deposits. The interbank market is used for residual funding purposes and term funding is used to lengthen the maturity profile and diversify the client base. The current liquidity position of ENBD is considered to be good. To mitigate future liquidity risks (e.g. associated with market events), Global Markets and Treasury maintains a liquidity buffer, which is designed to be of a size sufficient to deal with all foreseeable liquidity events.

ENBD and its operational companies also raise money through the international capital markets. All capital markets debt raising activity by ENBD and its operational companies is controlled by the Group Funding Desk of Global Markets and Treasury.

ENBD, through EBI, first accessed the international debt markets in April 1999 and has since become one of the most active Middle Eastern banks in employing the debt capital markets to support its funding needs.

As at 30 September 2011, ENBD and its main operational companies had, since July 2002, launched 73 bond issues with a total value of U.S.$9,272 million on seven exchanges: Luxembourg, London, Dublin, NASDAQ Dubai, Singapore, Sydney and Bangkok. As at 30 September 2011, outstanding issuance for ENBD and its main operational companies totalled U.S.$2,943 million with U.S.$781.6 million to date in new issuance in 2011. ENBD's objective has always been to diversify and deepen its investor base, reduce the maturity mismatch between assets and liabilities and to manage maturities, thereby reducing the quantum of refinancing risk.

The following table shows the maturity profile of all of the Group's bonds and loans currently outstanding:



With regard to the foregoing, in anticipation of the severity of the approaching liquidity crisis, EBI returned to the syndicated loan market in October 2007 after an absence of four years and raised U.S.$1.5 billion from a group of 15 banks. That facility is scheduled for repayment in October 2012 and pays interest at LIBOR+ 0.25 per cent. per annum.

For short-term funding, EBI established a U.S.$4 billion Euro Commercial Paper programme (the ''**ECP Programme**'') under which the equivalent of approximately U.S.$40.4 million was outstanding as at 30 September 2011. Following the amalgamation of EBI and NBD with ENBD in November 2009, ENBD is now the issuer under the ECP Programme and is responsible for all series of commercial paper issued by EBI and outstanding under the ECP Programme.

ENBD does from time to time buy back its own debt (senior and subordinated) in the open market.

In June 2009, EBI raised AED 4 billion of Tier 1 debt securities. The sole investor was ICD (which is wholly owned by the Government of Dubai), the majority shareholder of ENBD. These securities are perpetual, subordinated and unsecured and for the first five years have an annual 6.45 per cent. fixed rate coupon, after which they carry a floating rate coupon linked to EIBOR plus a margin of 4 per cent. The UAE Central Bank has approved the qualification of these securities for Tier 1 Regulatory Capital purposes. Further, as mentioned above, ENBD's capital was increased in March 2009 by the conversion of AED 12.6 billion of deposits from the UAE Federal Government into longer-term subordinated debt, which is all currently classified as Tier 2 capital.

In August 2010, ENBD completed an asset backed securitisation of approximately AED 1,018 million worth of its UAE auto loan portfolio, the first such deal from the Middle East and by ENBD. These auto loans were sold to Emirates NBD Auto Finance Limited, which issued ¥19 billion notes due in 2022 carrying a floating rate coupon linked to the London interbank offered rate for one month Japanese Yen deposits plus a margin of 1.8 per cent. The transaction provided ENBD with term match funding at competitive pricing levels. The transaction was well received by the market and highlights ENBD's ability and willingness to break new ground in the market in the Middle East.

Information Technology

ENBD's Information Technology (''**IT**'') division is focused on utilising the most advanced IT systems to secure ENBD's customers and ensure that customers' data is well protected and secured against unauthorised entry. ENBD envisages the role of information technology to be significant in ensuring that ENBD remains responsive and flexible to the competitive and dynamic forces of the environment within which it operates. Accordingly ENBD continues to invest in IT to

ensure that it is resourced in line with modern banking requirements. ENBD spent AED 345 million on IT expenditure during 2010 and AED 210 million for the nine month period ended 30 September 2011.

Having successfully done so across the UAE, ENBD is now finalising implementation of its core banking IT platform in its international sites to offer enhanced security to its customers, increase operational efficiencies and improve productivity.

The system can also make use of additional Central Processing Units (''**CPUs**'') as required and ENBD has entered into an agreement with IBM to provide additional CPUs on demand, which will, if required, produce an additional 40 per cent. of processing power. The new core banking IT system was rolled out across ENBD's branch network in November 2009.

ENBD implemented Calypso, a new accounting and risk monitoring system for treasury, which enables ENBD to handle higher transactional volumes while saving on labour costs and FINNONE, a new system for retail lending which will consolidate all front office, middle office and back office systems for retail finance into a single platform, thereby improving efficiency and productivity, as well as allowing for identification and reduction in revenue loss and reducing the risk on the financial portfolio by reviewing exposure to common customers.

ENBD utilises the Buzz Centre, a call centre for 24 hour phone banking and for providing internet banking and mobile (SMS) banking to its customers (see ''– *Retail Banking*'' above). A 24-hour IT support centre is also in place with expert support staff to address any IT related issues.

The security and reliability of ENBD's IT services is protected by the use of a disaster and recovery site at a remote premise that can be activated in the case of any accident affecting ENBD's IT systems to ensure that critical systems and data continue to be fully operational allowing ENBD to continue to provide essential services to its customers. ENBD's IT department carries out daily and other periodic data back-ups which are also stored at a remote location. ENBD also carries out annual intrusion tests on its IT network with the assistance of an external vendor. There is no evidence of intrusion attempts to date.

In June 2010 ENBD received the ''*Best Use of Technology*'' award from The Banker Magazine.

ENBD's disaster recovery plan provides for the back-up of its IT systems at its disaster recovery site. A new state of the art operations centre was opened in May 2009.

Insurance

ENBD has various insurance policies in place, including directors and officers insurance, third party liability insurance and bankers blanket bond insurance. ENBD believes that these insurance policies provide it with comprehensive insurance coverage against the various risks to which ENBD may be exposed.

Litigation

ENBD is not involved in any litigation, arbitration, administrative or governmental proceedings relating to claims which could have a material adverse effect on its financial condition and the results of operations and is not aware of any such litigation, arbitration, administrative or governmental proceeding that is pending or threatened in the last 12 months.

Therefore no material provision has been made as at 30 September 2011 regarding any outstanding legal proceedings against ENBD.

Fiscal Year

The fiscal year of ENBD is the calendar year ending on 31 December.

Auditors

ENBD's independent auditors are KPMG, Chartered Accountants, of P.O. Box 3800, Emirates Towers, Sheikh Zayed Road, Dubai, UAE. KPMG is regulated in the UAE by the UAE Ministry of Economy which has issued KPMG with a licence to practice as auditors. There is no professional institute of auditors in the UAE and, accordingly, KPMG is not a member of a professional body in the UAE. All of KPMG's audit professionals and partners are members of the institutes from where they received their professional qualification. KPMG has audited ENBD's financial statements for the years ended 31 December 2009 and 31 December 2010 and has issued an unqualified opinion in each case. KPMG has also reviewed ENBD's quarterly financial statements for 2010, and those to date in 2011.

The Management

Board of Directors

ENBD is managed by a board of directors, which is comprised of up to 12 members elected by its shareholders to serve terms of three years. The board of directors is composed of individuals independent of the Government of Dubai and decisions are taken by the board of directors in the sole interest of ENBD. As at the date of this Base Prospectus, the board of directors is comprised of the nine directors listed below.

Name	Position
H.H. Sheikh Ahmed bin Saeed Al Maktoum	Chairman
Mr. Hesham Abdulla Al Qassim	Vice Chairman
H.E. Khalid Juma Al Majid	Director
H.E. Abdulla Sultan bin Mohamed Al Owais	Director
Mr. Hussain Hassan Mirza Al Sayegh	Director
Mr. Buti Obaid Buti Al Mulla	Director
Mr. Mohamed Hamad Obaid Khamis Al Shehi	Director
Mr. Mohamed Hadi Ahmad Abdulla Al Hussaini	Director
Mr. Shoaib Mir Hashem Khoory	Director

H.H. Sheikh Ahmed bin Saeed Al Maktoum was appointed Chairman of ENBD in June 2011. His Highness holds a Bachelors degree from the University of Denver, Colorado, USA and he is a Fellow of The Royal Aeronautical Society, a recipient of the Commandeur de l'Ordre de la Legion d'Honneur (the Legion of Honour) of France and a recipient of the Verfassungsportugaleser of Germany. In addition to his position at ENBD, His Highness is also Chairman of the SFC (as defined below in ''– *Overview of the UAE and the Emirate of Dubai*''), Emirates Airlines and Group, Dubai Airport Free Zone Authority, Dubai Airports, Dubai World, Flydubai and Dubai Aerospace Enterprise, Deputy Chairman of Dubai Executive Council, Vice Chairman of Dubai World Trade Centre, President of the Dubai Civil Aviation Authority (since 1985) and a director of each of ICD, the UAE General Civil Aviation Authority and the Dubai Council for Economic Affairs.

Mr. Hesham Abdulla Al Qassim was appointed Vice Chairman of ENBD in June 2011. Mr Al Qassim is also a director of Dubai Mercantile Exchange Ltd., Dubai Real Estate Corporation, Gulf Finance, Marfin Popular Bank and Amlak Finance.

H.E. Khalid Juma Al Majid has served as a director of ENBD since March 2010. He is also the Vice Chairman of the Juma Al Majid Group of Companies, a director of the Dubai Chamber of Commerce and Industry and a member of the board of trustees of the Emirates Nationals Development Programme.

H.E. Abdulla Sultan Al Owais has served as a director of ENBD since July 2007, having served as a director and as Vice Chairman of EBI from September 2007 until the amalgamation. He is also currently Vice Chairman of United Foods Company, as well as being a Director of the Sharjah Chamber of Commerce and Al Rawabi Emirates Co. He was formerly a director of NBD.

Mr. Hussain H. Mirza Al Sayegh has served as a director of ENBD since July 2007, having served as a director of EBI from September 2007 until the amalgamation. He is also currently Deputy Chairman of Oilfield Supply Centre Ltd., Chairman, Jotun UAE, Deputy Chairman of Dubai Natural Gas Company, director of Emirates National Oil Co., Chairman of Jotun Powder Coatings; a director of Al Nasr Leisureland and a director of Emirates Petroleum Products Company.

Mr. Buti Obaid Buti Al Mulla has served as a director of the ENBD since July 2007, having served as a director of NBD from July 2007 until the amalgamation. He is also currently Vice Chairman of EIB, Chairman of Dubai Insurance Co. and Vice Chairman of Emirates Investment Bank.

Mr. Mohamed Hamad Obaid Khamis Al Shehi was appointed a director of ENBD in June 2011. Mr Al Shehi is also Secretary of the SFC, a Member of the Dubai Executive Council, Coordinator for the Coordination Council for Fiscal Policy of the UAE Ministry of Finance, a director of each of Dubai Real Estate Corporation and Galadari Brothers Co. LLC and the Deputy Director General of the Department of Finance of the Government of Dubai.

Mr. Mohamed Hadi Ahmad Abdulla Al Hussaini was appointed a director of ENBD in June 2011. Mr Al Hussaini is also a director of Dubai Refreshments Company and Economic Zones World FZE.

Mr. Shoaib Mir Hashem Khoory was appointed a director of ENBD in June 2011. Mr Khoory is also Chairman of MAHY Khoory and Group International Institute Management (GIIM), Managing Director of Mir Hashim Khoory LLC and a director of both Jebel Ali Cement Factory and Emirates Telecommunications Corporation.

The business address for each of ENBD's Directors is c/o Emirates NBD PJSC, Baniyas Road, Deira, P.O. Box 777, Dubai, United Arab Emirates.

No member of the board of directors has any actual or potential conflict of interest between his duties to ENBD and his private interests or other duties.

Senior Management

The day-to-day management of the Guarantor is conducted by the following senior managers (the ''**Senior Managers**'').

Name	Position
Rick Pudner	Chief Executive Officer
Abdul Wahed Al Fahim	Deputy CEO
Abdullah Qassem	Chief Operating Officer
John Neville Eldredge	General Manager, Global Markets and Treasury
Surya Subramanian	Chief Financial Officer
Rajan Khetarpal	General Manager, Risk
Husam Al Sayed	General Manager, Human Resources
Kevin Flannery	General Manager, International
Anthony John Bush	Managing Director, Global Funding

Rick Pudner, Chief Executive Officer

Rick Pudner has served as Chief Executive Officer of ENBD since July 2007, having joined EBI as Chief Executive Officer in April 2006. Prior to joining EBI, he worked for over 24 years at HSBC in a number of senior roles, including as Chief Executive Officer of HSBC South Korea and Head of Corporate Banking HSBC Middle East. He is also a director of Emirates NBD Asset Management Limited, of Emirates Fund Managers (Jersey) and of Emirates Financial Services. He has previously served as Chairman of the Foreign Investors Advisory Council for the Mayor of Seoul and the European Union Banking Committee in Korea, as well as Vice Chairman of the Foreign Bankers Group in Korea. He has over 28 years' experience in the banking industry.

Abdul Wahed Al Fahim, Deputy CEO and Head of Wholesale Banking

Abdul Wahed Al Fahim has served as the Deputy CEO since May 2009 and has overall responsibility for Wholesale Banking at ENBD. Prior to this he was the General Manager, Wholesale Banking of ENBD since July 2007, before which he held the position of General Manager, Wholesale Banking at EBI, since 2002. He joined EBI in April 1986, and before becoming General Manager – Wholesale Banking, he was responsible for the Group Credit Department and worked at various branches of EBI. He is also currently a director of Dubai Aluminium Company Ltd., ETFS, Emirates NBD Securities LLC., and Emirates NBD Asset Management Limited. He has over 24 years' experience in the banking industry.

Abdullah Qassem, Chief Operating Officer

Abdullah Qassem has served as Chief Operating Officer of ENBD since May 2009 and has overall responsibility for IT, Operations and Administration at ENBD. Prior to this he was General Manager, IT and Operations of ENBD since July 2007. He has over 21 years' experience in the IT industry, having joined EBI in May 1988 as a programmer after completing his studies in computer science and business administration at St. Edwards University in Austin, Texas, becoming General Manager, Information Technology and Operations at EBI in 1996. He is currently also the Chairman of Network International LLC.

John Neville Eldredge, General Manager, Global Markets and Treasury

John Neville Eldredge has served as General Manager, Global Markets and Treasury of ENBD since July 2007, having served as the General Manager, Global Markets and Treasury of EBI since 2004. He has over 26 years' experience in the banking industry, previously serving as Head of Treasury Investments and International Relations Group for Arab National Bank, Saudi Arabia and Treasurer and Global Head of Market Risk at Barclays Capital, London and as Deputy Group Treasurer for Barclays Bank PLC in London.

Surya Subramanian, Chief Financial Officer

Surya Subramanian has served as Chief Financial Officer of ENDB since September 2010. He is a Chartered Accountant with more than 25 years' experience in banking and finance in India, Pakistan and Singapore. He has experience in business roles in finance across country, regional and group structures with some of the world's leading financial institutions. More recently, prior to his appointment as Chief Financial Officer of ENBD, Surya was working with the Ministry of Finance and the Accounting and Corporate Regulatory Authority in Singapore to support the promulgation of accounting standards as well as financial reporting oversight for all companies registered in Singapore.

Rajan Khetarpal, General Manager, Risk

Rajan Khetarpal has served as General Manager, Risk of ENBD since May 2009, having previously served as Deputy General Manager, Global Debt Capital Markets and Overseas Corporates of ENBD since July 2007. Rajan Khetarpal joined EBI in 1997 and has over 31 years of experience in the banking industry. In 2005 he was responsible for setting up the Structured Finance & Syndications Department of EBI and he was also previously the Head of Corporate Banking (Dubai) for EBI.

Husam Al Sayed, General Manager, Human Resources

Husam Al Sayed has rejoined as Group General Manager of Human Resources of Emirates NBD, in September 2011. He has previously served as the General Manager of Human Resources at National Bank of Dubai prior to the merger and continued as Group General Manager of Human Resources of Emirates NBD till 2009. Previously he was working with Emirates National Oil Company (ENOC), as the Group Manager, Human Resources. He has 27 years of experience and knowledge in the field of people management and has a Masters in Public Administration (MPA) from the University of Toledo, USA.

Kevin Flannery, General Manager, International

Kevin Flannery has served as General Manager, International of ENBD since July 2007, having served as General Manager, International of EBI since 1999. Kevin Flannery joined EBI in 1985 and has over 35 years' experience in the banking industry. Prior to becoming General Manager, International for EBI, he served as the Country General Manager for Pakistan, where EBI had its largest overseas operations and he has also served the bank in senior management capacities in Kenya and Nigeria.

Anthony John Bush, Managing Director, Global Funding

Anthony John Bush has served as Managing Director, Global Funding of ENBD since 2008. Anthony John Bush joined EBI in 1996 and has prior to becoming Managing Director, Global Funding had a number of roles in EBI, with responsibilities including loan syndications, correspondent banking, project finance, international business and commercial banking. Prior to joining EBI he was employed by Arab Banking Corporation where he held positions as Senior Credit Officer and Head of Commercial Banking. He has worked in the Middle East for 29 years and has spent over 38 years in the banking industry.

The business address for each of the Senior Managers is Emirates NBD PJSC, Baniyas Road, Deira, P.O. Box 777, Dubai, UAE.

No Senior Manager has any actual or potential conflict of interest between his duties to ENBD and his private interests or other duties.

Committees

ENBD has established a number of committees, which include the following:

Board Audit Sub-Committee

The Board Audit Sub-Committee (''**BASC**'') is responsible for reviewing all the internal audit and management compliance reports that are produced by ENBD and providing direction to the management on rectifying weaknesses or shortcomings highlighted in such reports. The BASC is also responsible for receiving and evaluating management letters issued by external auditors and reports of regulatory bodies. The members of BASC comprise the Chairman of the board of directors, the Vice Chairman of the board of directors, the Head of Internal Audit, the Company Secretary as well as other directors. The committee meets once every two months.

Board Credit and Investment Committee

The BCIC advises management on ENBD's strategic objectives and reviews its progress. It continually reviews the composition of ENBD's credit portfolios, reviewing investments and recommending changes to investment policies, including the establishment of limits, broad asset allocation parameters and performance benchmarks. The BCIC also reviews investment proposals, as well as asset management and business initiatives proposed by ENBD's management. The members of BCIC comprise the Chairman of the board of directors and at least two other directors as well as the Chief Executive Officer and other members of management. The committee meets every week.

Executive Committee

The Executive Committee (the ''**EXCO**'') is headed by the Chief Executive Officer. The main role of the EXCO is to collectively monitor the performance of ENBD and make decisions within the authority limits delegated to it by the board of directors. The EXCO makes specific recommendations to the board of directors on decisions that fall outside its delegated authority limits. The EXCO comprises the Chief Executive Officer, the Chief Financial Officer, the General Manager, Risk, the Head of Wholesale Banking, the Head of Consumer Banking & Wealth Management, the Head of Information Technology and Operations, the General Manager, Global Markets and Treasury, the Chief Executive Officer of EIB and the Chief Executive Officer of Emirates Financial Services. The committee meets once every two weeks.

Assets and Liabilities Committee

The ALCO is responsible for dealing with market risk exposures such as liquidity, interest rates, investment and economic capital management. The ALCO manages the structure and composition of ENBD's investment portfolio, structural interest rates, exchange rate positions and maturity gaps, as well as its capital adequacy position. The ALCO comprises the Chief Executive Officer, the Chief Financial Officer, the General Manager, Risk, the Head of Wholesale Banking, the Head of Consumer Banking and Wealth Management, the General Manager, Global Markets and Treasury and other senior executives. The committee meets once a month in the normal course of business and more often if needed.

Investment Committee

The Investment Committee is responsible for approving ENBD's investments and ensuring that an appropriate balance is achieved between risks and rewards. The Investment Committee manages ENBD's reputation risk by setting and enforcing investment guidelines. The Investment Committee comprises members from Global Markets and Treasury and senior management. The committee meets monthly.

Employees

As at 30 September 2011, ENBD employed 7,641 full time staff, 253 of whom were employed in ENBD's overseas operations. ENBD has no history of industrial disputes and considers its relationship with its employees to be good.

Training

ENBD treats training as an integral part of staff development. The Global Training Centre (''**GTC**'') of ENBD provides training to various categories of staff within ENBD. The training covers a broad range of financial services (including *Shari'a* compliant finance). In addition various management,

sales and service-based training is also provided to staff members, as required. GTC also facilitates external training courses and relevant conferences, seminars and workshops which benefit the staff. The business communication unit of GTC provides language training in English and Arabic. Certain courses result in certification and these are well recognised in the region.

Remuneration Policy

The success of ENBD is dependent upon the competence of employees at all levels of its business. ENBD provides a range of reward and recognition schemes to attract, motivate and retain high calibre individuals to drive the performance of the business and drive new growth streams.

ENBD has a variable pay scheme for middle and senior management under which performance bonuses are awarded based on annual performance appraisals. The bonus awarded is dependent on individual performance, the performance of the respective business unit and the performance of ENBD.

ENBD also pays sales staff incentives for achieving sales and revenue targets to its frontline sales and operations staff in retail sales and in the branches. These sales incentives are administered by Retail Finance with oversight by HR. The incentive plan is flexible and changes in the plan are initiated based on business trends and requirements.

Emiratisation

As part of a policy of ''Emiratisation'', UAE banks were instructed in 1999 to increase the number of UAE nationals on their payroll by at least 4 per cent. per annum until they reached 40 per cent. of the payroll.

ENBD's UAE nationalisation committee is charged with the responsibility of developing existing UAE staff, attracting talent and working to the needs of the community.

In 1999, UAE nationals comprised 20 per cent. of the staff of EBI and this proportion now exceeds 25 per cent. ENBD plans to continue to increase the percentage of employees who are UAE nationals in line with the ''Emiratisation'' policy. Training and recruitment of nationals for managerial positions is a major objective of ENBD. ENBD continues to support the training and sponsorship of students in local universities and colleges.

Related Parties

ENBD enters into transactions with its major shareholders, subsidiaries, directors, executive management and their related concerns in the ordinary course of its business and at commercial interest and commission rates. As at 30 September 2011, ENBD had made loans and advances to related parties totalling AED 66.3 billion and had received customer deposits from related parties totalling AED 4 billion.

DESCRIPTION OF EMIRATES NBD GLOBAL FUNDING LIMITED

General

Emirates NBD Global Funding Limited (''**EGF**'') was incorporated in the Cayman Islands as an exempted limited liability company on 3 July 2009 under the Companies Law (as revised) of the Cayman Islands, registered in the Cayman Islands with registration number TU-227990. Its registered office is c/o Deutsche Bank (Cayman) Limited, Boundary Hall, Cricket Square, 171 Elgin Avenue, P.O. Box 1984, Grand Cayman, KY1-1104, Cayman Islands and the telephone number of the registered office is +001 345 949 8244.

The authorised share capital of EGF is U.S.$50,000 divided into 50,000 ordinary shares with a par value of U.S.$1.00 each. The issued share capital of the EGF is 1 share, which is fully paid and held by ENBD. EGF has no subsidiaries.

Business of EGF

EGF has no prior operating history or prior business.

The objects of EGF, as referred to in its Memorandum of Association (as registered or adopted on 3 July 2009), are unrestricted. EGF will not engage in any business activity other than the issuance of Notes under this Programme and other borrowing programmes established from time to time by ENBD, the issuance of shares in its capital and other activities incidental or related to the foregoing. EGF has established a U.S.$1,000,000,000 Structured Note Programme (the ''**Structured Note Programme**'') on 19 December 2011 whereby it may issue, from time to time, structured notes in different currencies and denominations. The Structured Note Programme is admitted to trading on the Luxembourg Stock Exchange's regulated market and is listed on the official list of the Luxembourg Stock Exchange. As at the date of this Base Prospectus, no notes have been issued by EGF under the Programme, the Structured Note Programme or any other borrowing programme established by ENBD.

Financial Statements

Since the date of its incorporation, no financial statements of EGF have been prepared.

Directors of EGF

The board of directors of EGF and their principal occupations are as follows:

Director	Principal Occupation
Saeed Abdulla Yousef Al Jasmi	Group Company Secretary of ENBD
Anthony John Bush	Managing Director, Global Funding of ENBD
John Neville Eldredge	General Manager, Global Markets and Treasury of ENBD

The business address of each member of the board of directors is Emirates NBD PJSC, Baniyas Road, Deira, P.O. Box 777, Dubai, United Arab Emirates.

No member of the board of directors has any actual or potential conflict of interest between his duties to EGF and his private interests and/or other duties.

EGF has no employees and is not expected to have any employees in the future.

OVERVIEW OF THE UAE AND THE EMIRATE OF DUBAI

Introduction

The Emirate of Dubai (the ''**Emirate**'') is one of seven emirates which together comprise the Federation of the United Arab Emirates (the ''**Federation**''). The Federation was established on 2 December 1971. On formation, the Federation comprised the following emirates: Abu Dhabi, Dubai, Sharjah, Ajman, Umm Al Qaiwain and Fujairah. Ras Al Khaimah joined in February 1972. The President of the UAE is Sheikh Khalifa bin Zayed Al Nahyan who is also the Ruler of Abu Dhabi. The Ruler of Dubai is Sheikh Mohammad bin Rashid Al Maktoum who is also the Vice President and Prime Minister of the UAE. The emirates enjoy significant autonomy and each has its own budget. The UAE's federal budget is funded by Abu Dhabi and Dubai, the two richest emirates.

Dubai is the second largest emirate in the UAE after Abu Dhabi, and is situated on the west coast of the UAE in the south-western part of the Arabian Gulf. It covers an area of 3,885 square kilometres and, except for a tiny enclave in the Hajar Mountains at Hatta, Dubai comprises one contiguous block of territory.

The UAE as a whole extends along the West coast of the Arabian Gulf, from the coast of Saudi Arabia near the base of the Qatar peninsula in the West to Ras Al Khaimah in the North and across the Mussandum peninsula to the Gulf of Oman in the East, covering an area of approximately 83,700 square kilometres in total.

Population

The population of the UAE, based on a census carried out in 2005 and according to the UAE National Bureau of Statistics (the ''**NBS**'') was approximately 4.1 million, of whom approximately 1.3 million resided in Dubai. The NBS has estimated the population of the UAE to be 8.3 million by the end of 2010. The Dubai Statistics Centre has estimated the population of Dubai to be 1.98 million at 30 September 2011.

The populations of both the UAE and Dubai have grown significantly since 1975, reflecting an influx of foreign labour, principally from Asia, as the emirates have developed. The table below illustrates this growth using official census data since 1975 for the UAE:

Population of UAE:

	1975	1980	1985	1995	2005
Total population	557,887	1,042,099	1,379,303	2,411,041	4,106,427
Dubai population.....	183,187	276,301	370,788	689,420	1,321,453

Sources: Official UAE Census Data

Estimated Population of Dubai:

The table below sets out the estimated population of Dubai at the end of each of the periods indicated:

	2006	2007	2008	2009	2010
Total population	1,321,453	1,529,792	1,645,973	1,770,978	1,905,476

Source: Dubai Statistics Centre

The majority of the population of Dubai is estimated to be non-UAE nationals, mainly drawn from the Indian subcontinent, Europe and other Arab countries. Approximately 78 per cent. of the population is estimated to be male and 22 per cent. female, reflecting the large male expatriate workforce.

Governance, Legislation and Judiciary

The UAE

UAE Constitution

The original constitution of the UAE (the ''**Constitution**'') was initially provisional and provided the legal framework for the Federation. The Constitution was made permanent pursuant to a constitutional amendment in May 1996.

The major principle adopted by the Constitution was that jurisdiction for enacting substantive legislation was confined to the federal government, but the local governments of the seven emirates were authorised to regulate those matters that were not the subject of legislation by the federal government.

Pursuant to Articles 120 and 121 of the Constitution, the federal government is responsible for foreign affairs; security and defence; nationality and immigration; education; public health; the currency; postal, telephone and other communications services; air traffic control and the licensing of aircraft and a number of other matters including labour relations; banking; the delimitation of territorial waters; and the extradition of criminals. Federal matters are regulated through a number of specially created federal ministries which include the Ministries of Foreign Affairs, Defence, Justice, Finance and Economy. Although most of the federal government ministries are based in Abu Dhabi, many also maintain offices in Dubai. The UAE's monetary and exchange rate policy is managed on a federal basis by the UAE Central Bank. Article 122 of the Constitution states that the emirates shall have jurisdiction in all matters not assigned to the exclusive jurisdiction of the Federation, in accordance with the provision of the preceding two Articles.

The individual emirates are given flexibility in the governance and management of their own emirates. The Constitution permits individual emirates to elect to maintain their own competencies in certain sectors. Based on this flexibility, Dubai has elected to assume responsibility for its own education, public health and judicial systems. The natural resources and wealth in each emirate are considered to be the public property of that emirate.

Each emirate manages its own budget on an independent basis and no emirate has any obligation to contribute to the budget of any other emirate. Each emirate makes contributions to the federal budget in agreed amounts.

Federal Supreme Council

The UAE is governed by the Supreme Council of the Rulers of all the emirates (the ''**Supreme Council**''). This is the highest federal governing body and consists of the Rulers of the seven emirates. The Supreme Council elects from its own membership the President and the Vice President of the UAE (for renewable five-year terms). Decisions relating to substantive matters are decided by a majority vote of five emirates, **provided that** the votes of both Dubai and Abu Dhabi are included in that majority, but matters that are purely procedural are decided by a simple majority vote.

The Supreme Council is vested with legislative as well as executive powers. It ratifies federal laws and decrees, plans general policy and approves the nomination of the Prime Minister and accepts his resignation. It also relieves him from his post upon the recommendation of the President.

The then Ruler of Abu Dhabi, Sheikh Zayed bin Sultan Al Nahyan, was elected in 1971 as the first President of the UAE and was re-elected as President for successive five-year terms until his death in November 2004. The then Ruler of Dubai, Sheikh Rashid bin Saeed Al Maktoum, was elected in 1971 as the first Vice-President of the UAE and continued as Vice-President until his death in 1990. Sheikh Zayed bin Sultan Al Nahyan was succeeded by his son Sheikh Khalifa bin Zayed Al Nahyan as Ruler of Abu Dhabi who was elected as President of the UAE in November 2004 by the members of the Supreme Council. Sheikh Mohammed bin Rashid Al Maktoum became the Ruler of Dubai in January 2006 upon the death of his elder brother Sheikh Maktoum bin Rashid Al Maktoum who had ruled Dubai since 1990. He was also nominated by the President of the UAE, Sheikh Khalifa bin Zayed Al Nahayan, to be the next Prime Minister and Vice President of the UAE in January 2006. The members of the Supreme Council accepted the President's nomination shortly thereafter.

Federal Council of Ministers

The Federal Council of Ministers (the ''**Cabinet**'') is described in the Constitution as the executive authority for the Federation and is responsible for implementing policy decisions of the Supreme

Council. The Cabinet is the principal executive body of the Federation. The Constitution defines the responsibilities of the Cabinet, which include the issuing of regulations, the preparation of draft laws and the drawing up of the annual federal budget.

Based in Abu Dhabi, the Cabinet is headed by the Prime Minister and consists of the Deputy Prime Minister and a number of other Ministers. These Ministers are normally selected (for no fixed term) by the approval of the Supreme Council on the recommendation of the Prime Minister.

Federal National Council

The Federal National Council is a parliamentary body which comprises 40 members who are UAE nationals. Each emirate appoints members for a particular number of seats based on such emirate's population and size. Abu Dhabi and Dubai have eight members each, Sharjah and Ras Al Khaimah have six members each and the other emirates have four members each. The nomination of representative members is left to the discretion of each emirate, and the members' legislative term is four calendar years. The members represent the UAE as a whole rather than their individual emirates.

Presided over by a speaker, or either of two deputy speakers elected from amongst its members, the Federal National Council has both a legislative and supervisory role under the Constitution. This means that it is responsible for examining and, if required, amending, all proposed federal legislation, and is empowered to summon and to question any federal minister regarding ministry performance. One of the main duties of the Federal National Council is to discuss the annual budget of the UAE. Although the Federal National Council can monitor and debate government policy, it has no veto or amendment power and cannot initiate any legislation by itself.

During 2006, reforms were made with a view to enhancing public participation in indirect elections to the Federal National Council. Under these reforms, the Ruler of each emirate selects an electoral college whose members are at least 100 times the number of Federal National Council members for the emirate. The members of each electoral college elect half of the Federal National Council members for their emirate, with the remainder being appointed by the Ruler.

Legal and Court System

There are three primary sources of law in the UAE, namely (i) federal laws and decrees (applicable in all seven emirates), (ii) local laws and decrees (i.e. laws and regulations enacted by the emirates individually), and (iii) the *Shari'a* (Islamic law). The secondary form of law is trade custom or practice. In the absence of federal legislation on areas specifically reserved to federal authority, the Ruler or local government of each emirate can apply his or its own rules, regulations and practices.

The federal judiciary, whose independence is guaranteed under the Constitution, includes the Federal Supreme Court and Courts of First Instance. The Federal Supreme Court consists of five judges appointed by the Supreme Council. The judges decide on the constitutionality of federal laws and arbitrate on inter-emirate disputes and disputes between the federal government and the emirates.

In accordance with the Constitution, three of the seven emirates (Abu Dhabi, Dubai and Ras Al Khaimah) have elected to maintain their own court system, separate from that of the UAE, and these courts have sole jurisdiction to hear cases brought in the respective emirates. The judicial system in Dubai is comprised of (i) a Court of First Instance, (ii) a Court of Appeal and (iii) a Court of Cassation.

Emirate of Dubai

The laws of Dubai are passed by Decree of the Ruler, Sheikh Mohammed bin Rashid Al Maktoum, who is also the Vice-President and Prime Minster of UAE. The Crown Prince of Dubai is Sheikh Hamdan bin Mohammed Al Maktoum. The Deputy Rulers are Sheikh Hamdan bin Rashid Al Maktoum and Sheikh Maktoum bin Mohammed Al Maktoum.

The key entities in the structure of the Government of Dubai are (i) the Ruler's Court, (ii) the Supreme Fiscal Committee (the ''**SFC**'') and (iii) the Executive Council (the ''**Executive Council**''). The Dubai Department of Economic Development (the ''**DED**'') and the Dubai Department of Finance (the ''**DOF**'') are administrative bodies. All five of these entities have distinct roles:

The Ruler's Court: Except in relation to applicable federal laws, His Highness the Ruler of Dubai is the sole legislator for the emirate and all Dubai laws are passed by His Highness after drafts of the laws have been approved by the Ruler's Court in consultation with the Executive Council. All

other matters that require the involvement of His Highness the Ruler of Dubai are channelled through the Ruler's Court.

Supreme Fiscal Committee: The SFC was established in November 2007 to formulate the fiscal policies of the Government of Dubai and to regulate Government of Dubai borrowings. The SFC is authorised to approve borrowings by the Government of Dubai and Government of Dubai-owned entities on behalf of the Government of Dubai. The SFC also aims to improve coordination between various Government of Dubai entities, and to enable government entities to meet their respective development targets in a cost efficient manner.

Executive Council: The Executive Council seeks to ensure coordination amongst Government of Dubai departments such as the courts, the police, the Health Authority, the Land Department, the Department of Civil Aviation, the DED and the Department of Tourism and Commerce Marketing. The Executive Council works with these departments to implement an overall strategy for the Government of Dubai, while considering the requirements and strategies of each particular department. In addition, the Executive Council works with the DOF to prepare an overall budget to fund the requirements of the various government departments. In addition to this broad coordination role, the Executive Council also recommends new laws and regulations, and is involved in the implementation of laws promulgated at both the emirate and federal levels.

Department of Economic Development: The DED is a regulatory and administrative body responsible for licensing and regulation of the business sector. All businesses operating in Dubai are required to be registered with and licensed by the DED. The DED also helps formulate Government of Dubai policy in relation to economic planning and the promotion of Dubai as a business centre. The DED works closely with relevant government bodies such as the Ministry of Labour and the Real Estate Regulatory Authority.

Department of Finance: The DOF is the local ministry of finance and treasury for the Government of Dubai. All revenues of the Government of Dubai are collected within the DOF and all Government of Dubai authorities are funded through the DOF. In addition, the DOF also functions as an administrative office of the SFC for executing and monitoring compliance with the SFC's decisions. The ICD is the principal investment entity of the Government of Dubai as described at ''*Description of Emirates NBD PJSC – Ownership Structure*'' above.

Strategy of Dubai

Since the establishment of the UAE in 1971, Dubai has developed its status as a major city, enhancing the wellbeing of its people and creating an environment that attracts businesses and individuals. To support, maintain and develop this status, the Government of Dubai intends to focus on (i) achieving comprehensive development and building human resources, (ii) promoting economic development and government modernisation, (iii) sustaining growth and prosperity, (iv) protecting UAE nationals' interests, the public interest and well-being, and (v) providing an environment conducive for growth and prosperity in all sectors.

In 2007, the Government of Dubai adopted a set of guiding principles for the various sectors that comprise the Dubai Strategic Plan 2015 (the ''**DSP 2015**''). The aim of the DSP 2015 is to ensure an understanding of the Government of Dubai's vision among all government entities and a common framework for the operations of these entities. The DSP 2015 focuses on the core areas of economic development, social development, security, justice and safety, infrastructure, land and development, and government excellence.

The global economic crisis has significantly impacted the Government of Dubai's economic development plans and, as a result, the government is currently re-assessing the stated aims of the DSP 2015 in the area of economic development. The stated aims of the DSP 2015 in all other areas remain unchanged.

UAE Credit Ratings

On 19 July 2011 Moody's reaffirmed the UAE's long-term credit rating of Aa2 with a stable outlook. The UAE is not rated by any of the other rating agencies.

Economy of the UAE

The UAE is the second largest economy in the GCC after Saudi Arabia. According to the Organisation of Petroleum Exporting Countries (OPEC) data, as at 31 December 2010, the UAE had approximately 6.7 per cent. of proven global oil reserves (giving it the sixth largest oil reserves

in the world). The UAE's oil reserves generated approximately 31.9 per cent. of the UAE's GDP in 2010 (according to the UAE Ministry of Economy) and approximately 28.3 per cent. of its export earnings (including re-exports) in 2010 (source: UAE Central Bank).

The NBS has estimated on a preliminary basis that real GDP in the UAE for 2010 was AED 977.3 billion, representing a real GDP growth rate of 1.4 per cent., reflecting the general economic recovery in the wake of the global economic crisis and the increase in oil prices during 2010. In 2009, the NBS estimated that real GDP in the UAE was AED 963.5 billion, representing a real GDP growth rate of minus 1.6 per cent.

The table below shows the UAE's nominal and real GDP and nominal and real GDP growth rates for each of the years indicated.

	2007	2008	2009	2010
UAE Nominal GDP (*AED millions*)	948,056	1,156,267	992,805	1,093,114
UAE Nominal GDP growth rates (*%*)	16.2	22.0	(14.1)	10.1
UAE Real GDP (*AED millions*)	948,056	979,291	963,530	977,329
UAE Real GDP growth rates (*%*)	3.2	3.3	(1.6)	1.4

Sources: Dubai Statistics Centre, NBS

Although it has one of the most diversified economies in the GCC, the UAE's wealth remains largely based on oil and gas. Whilst, fluctuations in energy prices do have a bearing on economic growth, the UAE is generally viewed as being less vulnerable than some of its GCC neighbours, due to the growth in the non-oil sector, particularly trading, finance, real estate and tourism.

Economy of Dubai

Dubai has a diversified economy which has demonstrated renewed growth, with real GDP increasing by approximately 2.4 per cent. in 2010 after the effects of the global economic recession led to a decline in real GDP in 2009. Since the UAE was established, when approximately 50 per cent. of Dubai's GDP was oil related, the Emirate's reliance on oil has decreased significantly, with the oil sector accounting for 1.8 per cent. of GDP in 2010.

Reflecting the Dubai's strategic geographic location, rising levels of international trade and the Government of Dubai's long-standing strategy of positioning the Emirate as a trading centre, the wholesale and retail trade and repairing services sector is the principal contributor to GDP, accounting for 30.3 per cent. of Dubai's GDP in 2010. The wholesale and retail trade and repairing services sector grew by 4.5 per cent. in real terms in 2010 and accounted for approximately 1.3 per cent. of Dubai's real GDP growth in 2010.

Other significant growth sectors for Dubai in recent years have been manufacturing, transport, storage and communications and electricity and water. The manufacturing sector grew by 10.1 per cent. in real terms in 2010 as a result of the increased ability of the sector to export in 2010 compared to 2009 as its principal trading partners began to recover from the global financial crisis. The transport, storage and communications sector grew by 9.2 per cent. in real terms in 2010 as a result of improved foreign trade and port related activities, in addition to increased demand for shipping and related services. The electricity and water sector grew by 7.1 per cent. in real terms in 2010 as a result of increased generation and consumption of electricity and water. In addition, each of these sectors has benefitted from the Government of Dubai's policies aimed at improving the business and investment environment and positioning Dubai as a regional hub, including specific high profile developments initiated by the Government of Dubai and the establishment of a range of specialised free zones designed to attract new companies and investment.

In addition, other supply side factors supporting Dubai's longer term economic growth have included the availability of labour and land for real estate development, significant levels of liquidity prior to 2008 and increasing consumer wealth in the GCC and elsewhere, in part reflecting generally high oil and gas prices, an appropriate legal and regulatory framework and good infrastructure.

The Government of Dubai continues to focus on economic diversification and in this respect is targeting the travel and tourism, financial services, professional services, transport and logistics, trade and storage and construction sectors in particular as areas for future growth.

Since the middle of 2008 and reflecting the global financial crisis and sharp falls in international oil and gas prices, there have been significant declines in real estate sales prices and rental rates in the UAE as a whole and a significant slowdown in construction activity. These factors adversely impacted the Emirate's GDP in 2009 and 2010, with these sectors declining in real terms in 2009 by 19.8 per cent. and 19.5 per cent., respectively, and by 2.6 per cent. and 14.7 per cent., respectively, in 2010.

The Government of Dubai has taken steps to stabilise the real estate sector. On 25 March 2010 Nakheel PJSC (''**Nakheel**'') announced a recapitalisation plan pursuant to which the Government of Dubai, acting through the Dubai Financial Support Fund (the ''**DFSF**''), has committed to provide, subject to the approval of a restructuring plan, U.S.$8 billion of additional funds to Nakheel to fund operations and settle outstanding liabilities, including payments to Nakheel's contractors and suppliers (see ''– *The Government of Dubai's Support of Strategic Government Related Entities*'' below).

The table below shows Dubai's nominal and real GDP and nominal and real GDP growth rates for each of the years indicated:

	2007	2008	2009	2010
Dubai Nominal GDP (*AED millions*)	310,056	342,900	294,157	300,833[1]
Dubai Nominal GDP growth rates (*%*)	28.6	10.6	(14.2)	2.3
Dubai Real GDP (*AED millions*)	284,577	293,752	286,617	293,601[1]
Dubai Real GDP growth rates (*%*)	18.1	3.2	(2.4)	2.4

Sources: Dubai Statistics Centre, NBS
Note:
(1) Does not include non-profit organisations sector.

The real GDP of Dubai in 2010 equalled 30.0 per cent. of the real GDP of the UAE in the same year. In 2009 and 2008, the equivalent proportions were 29.7 per cent. and 30.0 per cent., respectively.

Dubai's real GDP increased by 18.1 per cent. in 2007 and by 3.2 per cent. in 2008, decreased by 2.4 per cent. in 2009 and increased by 2.4 per cent. in 2010, reaching AED 293.6 billion in 2010. Dubai's real GDP per capita in 2010 was approximately U.S.$41,956, based on an assumed population of 1,905,476 million and an exchange rate of U.S.$1.00 = AED 3.6725.

Within Dubai, no single economic sector contributed more than 31 per cent. to total GDP in 2010, with the largest sector being the wholesale and retail trade and repairing services sector which contributed 30.3 per cent. of the Emirate's GDP. Other significant contributors to GDP in 2010 include the transport, storage and communications sector, which contributed AED 41.5 billion, or 14.1 per cent., to GDP, the real estate and business services sector, which contributed AED 40.3 billion, or 13.7 per cent., to GDP, and the manufacturing sector, which contributed AED 38.7 billion, or 13.2 per cent., to GDP. Two other sectors, construction and financial corporations, each contributed between 9 and 11 per cent. to GDP in 2010. Together, these six sectors contributed 92.0 per cent. of total GDP in 2010. By contrast, the government sector contributed 5.5 per cent. and the mining, quarrying and oil and gas sector contributed 1.8 per cent. to GDP in 2010.

In terms of growth, the four strongest principal sectors in recent years have been the government services sector, with a compound annual GDP growth rate of 21.8 per cent. between 2007 and 2010, the electricity and water sector, with a compound annual GDP growth rate of 15.6 per cent. between 2007 and 2010, the manufacturing sector, with a compound annual GDP growth rate of 8.8 per cent. between 2007 and 2010, and the social and personal services sector, with a compound annual GDP growth rate of 7.9 per cent. between 2007 and 2010.

Foreign Direct Investment and Free Zones

In addition to several free zones which seek to attract foreign direct investment, as further described below, both local and foreign investors can establish a business presence in Dubai outside of the free zones. According to the DED, it issued 13,817 business licences in 2010, recording growth of approximately 17 per cent. as compared to 2009. Also according to the DED, 20 per cent. of the licences issued by it were for businesses active in the professional sector, 17 per cent. for those in the commercial sector, 12 per cent. for those in the industrial sector and 10 per cent. for companies active in the tourism sector. In the first quarter of 2011, the DED issued

3,224 business licences, which was an increase of approximately 6 per cent. over the first quarter of 2010.

There are many incentives for foreign corporate entities to set up in one of the free zones in Dubai. Foreign corporate entities can freely operate in the free zones and free zone entities can be 100 per cent. foreign owned, unlike entities registered elsewhere in the UAE which require various degrees of local participation. Free zone entities are exempt from paying corporate tax for 15 years, renewable for an additional 15 years, and individuals are exempt from paying income tax. There are no currency restrictions levied on the capital or the profits of free zones entities and 100 per cent. of their capital and/or profit can be repatriated. The ability to import into the free zones and to export abroad without any import duties, taxes or currency restrictions being levied on the free zone entity is a strong incentive for foreign corporate entities wishing to carry on such activities from and into the Middle East region to set up in one of the free zones.

The incentives to set up in a free zone include an easily available and relatively inexpensive workforce, no restrictions on the issuance of work permits and residence visas, availability of plots of land, prebuilt warehouses and offices on an annual lease basis, affordable workers' accommodation and minimal legal and administrative procedures to commence operations.

Dubai has a number of free zones, of which the most important are the Jebel Ali Free Zone, the Dubai Technology and Media Free Zone, the Dubai International Financial Centre and the Dubai Airport Free Zone.

In addition, a number of sector-specific free zones for services and industry have been established, including Dubai Healthcare City, Dubai Textile City, Dubai Outsource Zone and Dubai Gold and Diamond Park.

The Government of Dubai's Support of Strategic Government Related Entities

The Government of Dubai owns, or has significant investments in, GREs which have played a significant role in supporting and facilitating the Government of Dubai's strategic development plan. Certain GREs have incurred indebtedness, including indebtedness from international financial institutions and in the international capital markets. As a result of the global financial crisis, sharp falls in international oil and gas prices, financial sector instability, limited access to credit and the significant decline in real estate values, both globally and in Dubai and the UAE, certain GREs have suffered from asset value deterioration, limited cash flow and have also experienced liquidity issues. Whilst not legally obliged to do so (under any guarantee or otherwise), the Government of Dubai announced its intention to support certain entities in order to maintain stability in the UAE economy, the banking system and investor confidence and protect stakeholders.

On 25 March 2010, in light of the severe financial difficulties faced by Dubai World and its subsidiaries and Nakheel, the Government of Dubai, Dubai World and Nakheel publicly announced proposals for the restructuring of the liabilities of the Dubai World group and Nakheel. It confirmed that the proposals followed a comprehensive analysis of the circumstances facing each company, and were developed in the interests of all stakeholders, including customers, contractors, employees and creditors.

The Government of Dubai's announcement further explained that the DFSF would support the restructuring proposals with significant financial resources, including additional funding of up to U.S.$9.5 billion over the business plan period, sourced from (i) U.S.$5.7 billion remaining from the loan previously made available from the Government of Abu Dhabi; and (ii) internal Government of Dubai resources.

Dubai World Restructuring

On 23 March 2011, Dubai World signed a final agreement with each of its lenders to restructure its financing facilities, amounting to U.S.$24.9 billion in debt. Under the terms of the two-tranche debt repayment plan, creditors will receive $4.4 billion in five years while the second tranche will involve $10.3 billion over eight years at a fixed interest rate of 2.4 per cent.

Nakheel Restructuring

The Government of Dubai has taken steps to stabilise the real estate sector. On 23 March 2011, the Dubai World Group signed an agreement with its 80 creditors to restructure its financial obligations. On 24 August 2011, Nakheel completed a restructuring of its business and financial obligations. Pursuant to Nakheel's restructuring, the Government of Dubai, acting through the

Dubai Financial Support Fund provided over U.S.$10 billion of additional funds to Nakheel to fund operations and settle outstanding liabilities. Following the successful completion of Nakheel's restructuring, the company is now owned by the Government of Dubai.

The financial corporations sector in Dubai contributed AED 33,115 million (or 11.3 per cent. of Dubai's real GDP) in 2010.

Within the UAE as a whole, the financial sector was estimated to have contributed approximately 6.6 per cent. of real GDP in 2010 (according to preliminary estimates published by the NBS). With 51 licensed commercial banks (comprising 23 local banks with 732 branches and 28 licensed foreign banks with 83 branches) at 31 December 2010, serving a population estimated to be in the region of 8.3 million at the end of 2010, the UAE could be viewed as an over-banked market, even by regional standards.

UAE banks continue to be profitable, although they have been affected by the liquidity issues that have been experienced by banks globally since the second half of 2008. According to the UAE Central Bank, the aggregate loans and advances extended to residents and non-residents of the UAE at 28 February 2011 was AED 1,049.2 billion, compared to AED 1,031.3 billion at 31 December 2010, AED 1,017.7 billion at 31 December 2009 and AED 993.7 billion at 31 December 2008. Of these amounts, specific and general provisions were AED 58.1 billion, AED 56.8 billion, AED 43.3 billion and AED 25.0 billion, respectively equating to provision rates of 5.5 per cent., 5.5 per cent., 4.9 per cent., 4.3 per cent. and 2.5 per cent., respectively.

The table below provides a statistical analysis of the UAE banking sector as at 31 December in each of 2007, 2008, 2009 and 2010 and as at 28 February 2011.

	2007	2008	2009	2010	28 February 2011[2]
Total number of commercial banks	49	52	52	51	51
Total number of branches	589	696	756	815	814
Total number of employees	32,142	39,589	37,704	37,403	37,409
Total credit facilities[1] (AED millions)	626,694	924,383	958,588	972,107	980,672
Total assets[1] (AED millions)	1,202,285	1,447,894	1,521,002	1,609,257	1,661,535
Total deposits (AED millions)	716,021	912,170	982,579	1,049,628	1,079,055

Source: UAE Central Bank

Notes:

(1) Net of provisions and interest in suspense.

(2) Estimated figures.

Principal Banks in Dubai

The table below provides summary information for each of the five principal banks by asset size established in Dubai:

	Number of Branches[1]	Year Established	Government ownership	Assets[1]
			(%)	*(AED Millions)*
Emirates NBD	105	2007[2]	55.64	286,216
Dubai Islamic Bank	66	1975	29.80	90,138
Mashreqbank	53	1967	—	84,846
Commercial Bank of Dubai	25	1969	20.00	36,511
Noor Islamic Bank	13	2008	25.00	18,193

Sources: UAE Central Bank and published financial statements.

Notes:

(1) As at 31 December 2010.

(2) Year of merger of EBI and NBD.

Supervision of Banks

The UAE Central Bank, established in 1980, is the governing body that regulates and supervises all banks operating in the UAE. The UAE Central Bank has supervisory responsibility for all banking

institutions in the UAE. Supervision is carried out through on site inspections and review of periodic submissions from the banks. The frequency of inspection depends on the perceived risk of the bank, but inspections are carried out in all banks at least once every 18 months. Returns are made monthly, quarterly, semi-annually or annually, depending on the nature of the information they are required to contain. An improved risk management framework is currently being implemented, which is designed to provide the UAE Central Bank with more up-to-date information on credit, market and operational risks within the banking sector.

The UAE Central Bank does not act as a lender of last resort, a role which tends to fall on the individual emirates.

Federal Law No. 10 of 1980 (the ''**1980 Law**'') grants the UAE Central Bank powers to:

- exercise currency issue, stabilisation, valuation and free convertibility;
- direct credit policy for balanced growth of the economy;
- organise and promote an effective banking system with private banks and institutions;
- advise the federal government on financial and monetary issues;
- maintain the federal government's reserves of gold and foreign currencies;
- act as a bank for the federal government and other banks operating in the UAE; and act as the federal government's financial agent with the International Monetary Fund (the ''**IMF**''), the World Bank and other international financial organisations.

The UAE dirham is linked to the Special Drawing Right, the monetary unit of the reserve assets of the IMF. However, the U.S. dollar is the intervention currency and, in practice, the UAE dirham is pegged to the U.S. dollar. This pegged exchange rate has been in place since the 1980s and has proven resilient both to political tensions in the region and to fluctuations in oil prices. However, the currency may be susceptible to revaluation upon a sharp and sustained upturn in inflation.

The UAE Central Bank is also responsible for regulating anti-money laundering activities in the UAE. It has established a Financial Intelligence Unit and hosted teams from the Financial Action Task Force (''**FATF**'') and the IMF who reviewed, discussed and tested existing UAE laws and regulations. This led the FATF to decide, in January 2002, that the UAE had put in place an adequate anti-money laundering system.

The UAE further strengthened its legal authority to combat terrorism and terrorist financing, by passing Federal Law No. 1 of 2004 on Combating Terrorism Offences, which provided for the establishment of a National Anti-Terror Committee (the ''**NATC**''). The NATC serves as a UAE interagency liaison.

Although the UAE Central Bank is responsible for regulating all banks, exchange houses, investment companies and other financial institutions in the UAE, the DFSA regulates all banking and financial services activities in the DIFC. The UAE Central Bank has also been growing in stature as a banking supervisor. However, it is hampered in its role by the level of legal autonomy afforded to the individual emirates, which at times makes it difficult to enforce directives uniformly across the banking sector.

Since 1999, regulated banks in the UAE have been required to report in accordance with IFRS.

Characteristics of the Banking System

The UAE banks are predominantly focused on the domestic market. In 1987, foreign banks operating in the UAE were limited to a maximum of eight branches.

With much of the economy directly or indirectly dependent on the oil sector, the UAE banks are vulnerable during long periods of low oil prices. In particular, oil revenues tend to drive levels of liquidity. The high oil prices and strong economic conditions in the UAE in the period before the financial crisis allowed the UAE banks to expand their activities significantly with total loans and deposits of the banking sector increasing by 255 per cent. and 214 per cent., respectively, between 31 December 2004 and 31 December 2008. As a result, the UAE financial system entered the global crisis exposed to a highly leveraged economy, a factor which the authorities recognised and responded to during the crisis, see ''*Recent Developments*'' below.

There is a high degree of state involvement in the UAE banking sector, with the five largest banks being controlled by the governments and/or ruling families of individual emirates.

Additionally, a number of banks have developed in the Islamic world, including in the UAE, to serve customers who wish to observe *Shari'a* principles, including the prohibition on the charging of interest on any financial transaction. These institutions offer a range of products, which broadly correspond to conventional banking transactions but are structured to ensure that all relevant *Shari'a* principles are complied with. The principal Dubai-based Islamic banks are Emirates Islamic Bank, Dubai Islamic Bank, Dubai Bank and Noor Islamic Bank.

Structure of the Banking System

Banking institutions in the UAE fall into a number of categories, as defined by the 1980 Law. Domestic commercial banks, also known as local banks, of which there were 23 at 31 December 2010, are required to be public shareholding companies with a minimum share capital of AED 40 million.

Licensed foreign commercial banks, of which there were 28 at 31 December 2010, need to demonstrate that at least AED 40 million has been allocated as capital funds for their operations in the UAE. The 1980 Law also licences financial institutions (institutions whose principal functions are to extend credit, carry out financial transactions, invest in moveable property and other activities but are not permitted to accept funds in the form of deposits), investment banks (institutions which may not accept deposits with maturities of less than two years but which may borrow from its head office or other banks and the financial markets) and financial and monetary intermediaries (money and stock brokers).

Recent Developments

Capital Adequacy

The national banks are well capitalised by international standards. The UAE Central Bank previously required all UAE banks to have a total capital adequacy ratio of at least 10 per cent. (of which Tier I capital must reach a minimum of 6 per cent. and Tier II capital may only be considered up to a maximum of 67 per cent. of Tier I capital), of total risk weighted assets. However, as a result of the global economic slowdown, the UAE Ministry of Finance and the UAE Central Bank temporarily increased the total capital adequacy ratio to 11 per cent. (from 30 September 2009) and 12 per cent. (from 30 June 2010). Subsequently, on 31 August 2009, the UAE Central Bank recommended that domestic and foreign banks operating in the UAE should ensure a minimum Tier I capital adequacy ratio of 7 per cent. with a minimum total capital adequacy ratio of 11 per cent. by 30 September 2009. Furthermore, the UAE Central Bank required banks operating in the UAE to increase their Tier I capital adequacy ratio to at least 8 per cent., with a minimum total capital adequacy ratio of 12 per cent. by 30 June 2010.

While the calculation of capital adequacy ratios in the UAE follows the Bank of International Settlements (''**BIS**'') guidelines, claims on or guaranteed by GCC central governments and central banks are risk-weighted at zero per cent. and claims on GCC government non-commercial public sector entities are risk-weighted at 50 per cent.

Banks in the UAE are required to transfer 10 per cent. of profit each year into a statutory reserve until this reaches 50 per cent. of capital. Distributions cannot be made from this reserve, except in specific defined circumstances. All dividends paid by UAE banks have to be authorised in advance by the UAE Central Bank.

The UAE banks were required to implement the Basel II Accord using the standardised approach for credit risk by December 2007 and all UAE banks were expected to be internal risk-based compliant for credit risk as of 1 January 2011.

The Basel II Accord comprises risk-based guidelines on capital adequacy requirements and regulatory standards, issued by the BIS in June 2004, and are a progression of the original 1988 Basel I global capital adequacy rules for banks and financial institutions. The Basel II framework has three ''pillars'': minimum capital requirements, supervisory review process and market discipline. Banks are required to allocate capital towards the standard banking risks: credit risk, market risk and operational risk, termed as Pillar I risks and also towards other risks such as liquidity risks, legal risks, interest rate risk in the banking book, reputational risks generally termed as Pillar II risks. The Pillar II framework also envisages that banks adopt an Internal Capital Adequacy Assessment Process (ICAAP).

Basel II requires banks to maintain a minimum capital adequacy ratio of 8 per cent. calculated as the percentage of total eligible regulatory capital to total risk weighted assets for credit risks,

operational and market risks. Under Pillar II, regulators could require some banks to provide additional capital based on the overall risk profile, beyond the minimum requirements under Pillar I.

In Abu Dhabi, government-owned institutions assisted certain Abu Dhabi banks during 2008 in strengthening their capital base through the subscription of mandatory convertible securities and, in February 2009, the Abu Dhabi Government (acting through its Department of Finance) subscribed, in aggregate, a sum of AED 16 billion in subordinated Tier I Capital Notes issued by the five largest Abu Dhabi banks: NBAD, Abu Dhabi Commercial Bank, First Gulf Bank, Union National Bank and Abu Dhabi Islamic Bank. A press statement issued by the DOF of Dubai on 25 February 2009 announced that it had established a U.S.$20 billion funding programme and that the first tranche, valued at U.S.$10 billion with a five year tenure and paying a coupon rate of four per cent. per annum, had been issued in its entirety to the UAE Central Bank. During 2009, the Government of Dubai (acting through ICD) subscribed for AED 4 billion of Tier 1 securities issued by EBI. In addition, the federal government provided AED 50 billion in deposits to UAE banks and UAE banks (as part of a larger AED 70 billion package) were given the option to convert those deposits into Tier 2 capital in order to enhance capital adequacy ratios. A number of banks in the UAE subsequently made such conversions. As a result, the average capital adequacy ratio of all UAE national banks increased to 20.8 per cent. at 31 December 2010 from 19.2 per cent. at 31 December 2009 and 13.3 per cent. at 31 December 2008.

Liquidity

Most of the UAE banks are funded through on demand or time based customer deposits made by UAE resident private individuals or private sector companies. Together, these deposits constituted approximately 63.8 per cent. of total deposits of the UAE banking sector as at 28 February 2011. UAE government and public sector deposits contributed approximately 23.1 per cent. of total deposits as at 28 February 2011. Non-resident and other sources contributed approximately 11.0 per cent. as at the same date.

There is currently no formal deposit protection scheme in the UAE. While no bank has, so far, been permitted to fail, during the 1980s and early 1990s a number were restructured by the authorities and, in May 2011, Dubai Bank was taken over by the Government of Dubai. In October 2008, in response to the global financial crisis, the UAE federal government announced that it intended to guarantee the deposits of all UAE banks and foreign banks with core operations in the UAE. Thereafter, in May 2009, the UAE's Federal National Council approved a draft law guaranteeing federal deposits although the law remains unapproved. There can, however, be no assurance that any draft law will subsequently be passed. As such, until such time as the law is passed there is no guaranteed governmental liquidity support.

In addition, the UAE Central Bank announced a number of measures aimed at ensuring that adequate liquidity is available to banks operating in the UAE. In September 2008, the UAE Central Bank established an AED 50 billion liquidity facility which banks can draw upon subject to posting eligible debt securities as collateral. The liquidity facility is available only for the purpose of funding existing commitments. New lending is required to be based on growth in the customer deposit base. The UAE Central Bank also established a certificates of deposit repurchase facility under which banks can use certificates of deposit as collateral for dirham or US dollar funding from the UAE Central Bank.

Certain mortgage companies based in the UAE have experienced significant liquidity issues since 2008 and plans have been formulated to support these institutions. One of these institutions is Tamweel, which was established in 2004 as a real estate Islamic finance provider. In October 2010, the Government of Dubai supported the move by Dubai Islamic Bank to take a controlling stake in Tamweel (of 58.25 per cent.) and additionally assisted Tamweel in rolling over existing banking and corporate debts for five years. Subsequent to the support provided by Dubai Islamic Bank, Tamweel returned to profitability in 2010. Additionally, Tamweel's share listing on the DFM was restored on 10 May 2011, after having been suspended in November 2008.

The UAE Central Bank is expected to tighten regulations on how banks in the UAE manage liquidity through the introduction of new qualitative, quantatitve and reporting requirements on liquidity risk management (expected to take effect by early 2012) with the objective of ensuring that liquidity risk is well managed in the UAE in line with international best practices.

The proposed set of qualitative requirements include, *inter alia*, clear articulation of liquidity risk tolerance for the relevant bank; at least one board member with a detailed understanding of liquidity risk management; incorporation of liquidity costs, benefits and risks into the product

pricing and approval process; establishment of a forward-looking funding strategy to ensure effective diversification in the sources and tenor of funding; maintenance of high quality liquid assets; and development of transfer pricing framework to reflect the actual cost of funding.

The proposed set of quantitative requirements include the following:

- Liquidity Coverage Ratio (''**LCR**''): The LCR represents a 30 days stress scenario with combined assumptions covering both bank-specific and market-wide stresses. These assumptions are applied to contractual data representing the main liquidity risk drivers at banks to determine cash outflows within the 30 days stress scenario; and
- Uses to Stable Resources Ratio (''**USSR**''): The USSR represents the ratio of key uses of funds against funding sources used by banks post-assignment of stability factors to these sources. This is a structural ratio that aims to ensure that banks have adequate stable funding to fund the assets on their balance sheets.

Increased Provisions and Insolvencies

A number of UAE and Dubai banks have announced exposures to well known GCC-based companies which have become insolvent or have been or are being restructured. These include the Saad and Algosaibi groups of Saudi Arabia and Tabreed and the Dubai World Group in the UAE. As a result of declining economic conditions since late 2008 and increasing insolvencies and restructurings, the provisions recorded by banks in the UAE have increased from AED 25.0 billion, or 1.7 per cent. of total UAE bank assets, at 31 December 2008 to AED 43.3 billion, or 2.7 per cent. of total UAE bank assets at 31 December 2009 and AED 56.8 billion, or 3.4 per cent. of total UAE bank assets, at 31 December 2010. It is possible that bank provisions may continue to increase in 2011 in light of the Dubai World Group or other similar regional developments.

Banks in the UAE are required by UAE Central Bank regulations and guidelines to make provisions, specific or general, for impaired loans, by deducting them from their books at the end of each quarter where banks had previously written-off impaired loans from their books after all legal options for recovery have been exhausted. These guidelines and regulations seek to improve transparency within the banking industry in accordance with Basel Committee on Banking Supervision standards.

In November 2010, the UAE Central Bank published a new set of rules making it mandatory for banks and financial institutions to make provisions for their impaired loans on a quarterly basis. The new guidelines prescribe specific provisions for three categories of impaired loans and stipulate that lenders should build up general provisions equal to 1.5 per cent. of risk weighted assets over a period of 4 years, up from the previous requirement of 1.25 per cent.

Dubai Bank was taken over by the Government of Dubai in May 2011. The objective was to ensure the preservation of all of Dubai Bank's depositors' interests and the takeover was designed to ensure that Dubai Bank's business continued uninterrupted while options for the bank's future, whether to be run on a standalone basis or to be potentially merged with another Government of Dubai-owned bank, are assessed. The takeover was supported by both the UAE Central Bank and the UAE Ministry of Finance.

Large Exposures

In relation to private sector entities, the UAE Central Bank has set a large exposures limit of seven per cent. of bank capital and a single holding limit of five per cent. of bank capital. In relation to government-related commercial entities, the UAE Central Bank has set a single holding limit of 25 per cent. of bank capital. The UAE Central Bank has not specified a single holding limit for banks in relation to government departments.

Federal Debt Management

In December 2010, the Federal National Council passed the Public Debt Law under which the total value of UAE's public debt should not be more than 25 per cent. of the GDP or AED 200 billion, whichever is lower at the time of issuing public debt. The Public Debt Law is awaiting the approval of the President of the UAE and is therefore yet to be enacted. The Public Debt Law could therefore change before it is enacted.

Transparency

In May 2010, the Government of Dubai appointed the Emirates Credit Information Company (''**Emcredit**'') as the official body for providing credit information services in Dubai. Emcredit is

now the entity responsible for providing credit reporting services in Dubai, with responsibility for collecting, storing, analysing and disseminating credit information in Dubai. Additionally, in February 2011, the UAE Central Bank issued new regulations in relation to the retail banking sector, aimed at controlling lending activities and excessive charges by banks, whilst also protecting banks by regulating lending and encouraging banks to carry out proper due diligence on potential borrowers.

UAE Central Bank Regulation No. 29/2011

Further to a circular released by the UAE Central Bank on 23 February 2011, new retail banking regulations applicable to UAE banks were brought into effect on 1 May 2011. These regulations cap personal loans and financing advances at twenty times a borrower's monthly salary and stipulate repayment of such personal financing within 48 months. The Group's personal banking operations are in compliance with this Regulation No. 29/2011.

Insurance

There is an absence of published statistical data on the insurance sector in the UAE. Insurance companies are regulated by the Insurance Division of the UAE Ministry of Economy.

Expatriate Workforce

An unusual feature of the UAE economy is its reliance on overseas labour, with expatriates making up approximately 80 per cent. of the workforce. The banking sector is no exception, and expatriates are represented in the senior management of most of the major banks. This has brought expertise from more developed markets to the sector. The high level of expatriates in the UAE has been an increasing concern to the UAE Federal Government and as part of a policy of ''Emiratisation'' banks were instructed in 1999, to increase UAE nationals on their payroll to 40 per cent. by 2009. Banks are generally moving closer to this target, providing better training and compensation for UAE nationals.

Capital Markets

The capital markets in the UAE are regulated by a number of entities including the SCA, which licences intermediaries to trade on the DFM and the Abu Dhabi Stock Exchange (the ''**ADX**''). The SCA is a federal government organisation but has financial, legal and administrative independence.

In common with other regional exchanges, the DFM and the ADX experienced a sustained decline in market capitalisation from mid-2008 until end-2010. However, the ADX recovered slightly in 2009, with a 17 per cent. increase in market capitalisation, following a fall of 43 per cent. in 2008.

The other significant stock exchange in the UAE is NASDAQ Dubai (formerly known as the Dubai International Financial Exchange) which commenced operations in September 2005 and, as a entity based in the Dubai International Financial Centre, is separately regulated.

The DFM, which is now, along with NASDAQ Dubai, owned by Borse Dubai, was established by the Government of Dubai in 2000 as an independent entity and operates as a market for the listing and trading of shares, bonds and investment units issued by companies, investment funds and other local or foreign financial institutions that conform to its listing requirements.

TAXATION

The following is a general description of certain United Arab Emirates, EU, Luxembourg and Cayman Islands tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective purchasers of Notes should consult their tax advisers as to the consequences under the tax laws of the countries of their respective citizenship, residence or domicile of acquiring, holding and disposing of Notes and receiving payments under the Notes. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

Dubai and the United Arab Emirates

The following is a general summary of the current tax law and practice in Dubai and the UAE (to the extent applicable in Dubai) (''**Dubai Law**'') and does not constitute legal or tax advice. Prospective investors in the Notes are advised to consult their own tax advisers with respect to the tax consequences under the tax laws of the country in which they are resident, of the purchase ownership or disposition of the Notes or any interest therein.

Under existing Dubai Law, although an income tax decree has been enacted in Dubai which provides for tax to be imposed on the taxable income of all bodies corporate which carry on a trade or business, the regime is not currently enforced. In practice, only companies engaged in the production of oil or gas, some service industries and branches of foreign banks have been required to pay tax. There are currently no withholding taxes required to be levied under Dubai Law in respect of payments on debt securities (including in relation to the Notes). In the event of the imposition of any withholding, the relevant Obligor has undertaken to gross-up any payments subject as described in Condition 7.

The Constitution of the United Arab Emirates specifically reserves to the Federal Government of the United Arab Emirates the right to revise taxes on a federal basis for the purposes of funding its budget. It is not known whether this right will be exercised in the future.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the ''**Savings Directive**''), each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at a rate of 35%. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The European Commission has proposed certain amendments to the Savings 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.

Luxembourg Taxation

The following summary is of a general nature. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

(i) ***Non-resident holders of Notes***

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 (the ''**Laws**'') mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by nonresident holders of Notes.

Under the Laws implementing the EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the ''**Territories**''), payments of interest or similar income made or ascribed by a paying agent within the meaning of the laws established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which is a resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it is currently levied at a rate of 35 per cent. as of 1 July 2011. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

Payments of interest under the Notes coming within the scope of the Laws would at present be subject to withholding tax of 35 per cent.

(ii) ***Resident holders of Notes***

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 (the ''**Law**'') mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Law payments of interest or similar income made or ascribed by a paying agent within the meaning of the Law established in Luxembourg to or for the benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 10 per cent.

Cayman Islands

The following is a discussion of certain Cayman Islands tax consequences of an investment in the Notes. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands laws:

(a) payments of amounts in respect of any Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on such payments to any Noteholder and gains derived from the sale of any Notes will not be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance or gift tax; and

(b) no stamp duty is payable in respect of the issue of the Notes. Notes issued in bearer form, or an instrument of transfer in respect of a Note issued in registered form, will be stampable if they are executed in or brought into the Cayman Islands.

The Issuer has been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, has applied for and obtained an undertaking from the Governor-in-Cabinet of the Cayman Islands, pursuant to Section 6 of the Tax Concessions Law (1999 Revision) of the Cayman Islands, that for a period of 20 years from the date of issue no law which is thereafter enacted in the Cayman Islands imposing any tax to be levied on profits,

income, gains or appreciation shall apply to the Trustee or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable on or in respect of the shares, bonds, sukuk or other obligations (which would include the Notes) of the Trustee or by way of the withholding in whole or part of any relevant payment (as defined in Section 6(3) of the Tax Concessions Law (1999 Revision)).

An annual registration fee is payable by the Trustee to the Cayman Islands Registrar of Companies which is calculated by reference to the nominal amount of its authorised capital. At current rates, this annual registration fee is approximately U.S.$730. The foregoing is based on current law and practice in the Cayman Islands and this is subject to change therein.

SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement (as supplemented from time to time, the ''**Programme Agreement**'') dated 22 December 2011 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. Any such agreement will extend to those matters stated under ''*Form of the Notes*'' and ''*Terms and Conditions of the Notes*''. In the Programme Agreement, the Issuers have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

Hong Kong

Each Dealer has represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are ''structured products'' as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the ''**Securities and Futures Ordinance**'')) other than (i) to ''professional investors'' within the meaning of the Securities and Futures Ordinance and any rules made under the that Ordinance; or (ii) in other circumstances which do not result in the document being a ''prospectus'' as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to any Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to ''professional investors'' within the meaning of the Securities and Futures Ordinance and any rules made under that Ordinance.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes 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, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or 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 an available exemption from registration under the Securities Act.

Each issuance of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the relevant Obligors and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms.

Public Offer Selling Restrictions under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a ''**Relevant Member State**''), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive 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 subject to the offering contemplated by this Base 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 Prospectus Directive; or

(b) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provison of the 2010 PD Amending Directive, 150; natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Obligors for any such offer; or

(c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

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

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 Prospectus Directive in that Member State and the expression ''Prospectus Directive'' 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.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) 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 of any Notes in circumstances in which Section 21 (1) of the FSMA does not or would not, if the relevant Obligor was not an authorised person, apply to such Obligor; and

(b) 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.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended; the **FIEA**) and 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, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to

an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

France

Each of the Dealers and each Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes, and that such offers, sales and distributions have been and shall be made in France only to (i) providers of investment services relating to portfolio management for the account of third parties, and/or (ii) qualified investors (*investisseurs qualifiés*), other than individuals, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code *monétaire et financier*.

Republic of Italy

The offering of Notes has not been registered pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that Notes have not been and will not be offered, sold or delivered, and copies of the Base Prospectus or of any other document relating to the Notes have not been and will not be distributed in the Republic of Italy, except:

(a) to qualified investors (''*investitori qualificati*''), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the ''**Financial Services Act**'') and Article 34-ter, first paragraph, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time (''**Regulation No. 11971**''); or

(b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Regulation No. 11971.

Any offer, sale or delivery of Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in the Republic of Italy under (a) or (b) above must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended, (the ''**Banking Act**''); and

(ii) in compliance with Article 129, of the Banking Act, as amended and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and

(iii) in accordance with any other applicable laws and regulations or requirements imposed by CONSOB or other Italian authority.

The United Arab Emirates (excluding Dubai International Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the UAE other than in compliance with any laws applicable in the UAE governing the issue, offering and sale of securities; and

Each Dealer acknowledges, and each further Dealer appointed under the Programme will be required to acknowledge, that the information contained in the Base Prospectus does not constitute a public offer of securities in the UAE in accordance with the Commercial Companies Law (Federal Law No. 8 of 1984 (as amended)) or otherwise, and is not intended to be a public offer and the information contained in the Base Prospectus is not intended to lead to the conclusion of any contract of whatsoever nature within the territory of the UAE.

Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Notes to be

issued under the Programme to any person in the Dubai International Financial Centre unless such offer is

(a) an ''Exempt Offer'' in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (the ''**DFSA**''); and

(b) made only to persons who meet the ''Professional Client'' criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module.

Kingdom of Saudi Arabia

Any investor in the Kingdom of Saudi Arabia (a ''**Saudi Investor**'') who acquires Notes pursuant to the offering should note that the offer of Notes is a private placement under Article 9(a) of the ''Offer of Securities Regulations'' as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated 4 October 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated 18 August, 2008 (the ''**KSA Regulations**''). The Notes may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to ''sophisticated investors'' under Art.10 of the KSA Regulations or by way of a limited offer under Art.11 of the KSA Regulations.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer of Notes to a Saudi Investor will comply with the KSA Regulations.

The offer of Notes shall not therefore constitute a ''public offer'' pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 17 of the KSA Regulations. Any Saudi Investor who has acquired Notes pursuant to a private placement may not offer or sell those Notes to any person unless the offer or sale is made through an authorised person appropriately licensed by the Saudi Arabian Capital Market Authority and: (a) the Notes are offered or sold to a ''sophisticated investor'' (as defined in Article 10 of the KSA Regulations (b) the price to be paid for the Notes in any one transaction is equal to or exceeds Saudi Riyal 1 million or an equivalent amount; or (c) the offer or sale is otherwise in compliance with Article 17 of the KSA Regulations.

Cayman Islands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it shall not make, and has not made, any invitation or offer to the public in the Cayman Islands to subscribe for the Notes.

People's Republic of China

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or delivered and will not offer, sell or deliver any of the Notes in the People's Republic of China (excluding the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan) except as permitted by the securities laws of the People's Republic of China.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree 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, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery 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, sales or deliveries and neither the Obligors nor any of the other Dealers shall have any responsibility therefor.

None of the relevant Obligors or 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.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions agreed between the relevant Issuer and the relevant Dealer and set out in the applicable Final Terms.

GENERAL INFORMATION

Authorisation

The entry into the Programme, the issue of Notes under the Programme and the giving of the Guarantee by ENBD was duly authorised by a resolution of the Board of Directors of ENBD on 30 September 2009. Entry into the Programme and the issue of Notes by EGF under the Programme was duly authorised by a resolution of the Board of Directors of EGF dated 19 December 2011.

Admission to Trading and Listing of Notes

Application has been made to the CSSF to approve this document as a base prospectus. The CSSF assumes no responsibility as to the economic and financial soundness of the Programme or in respect of the quality or solvency of ENBD or EGF pursuant to Article 7(7) of the Luxembourg Law. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's Regulated Market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection from the registered office of each of ENBD and EGF and from the specified offices of the Paying Agents for the time being in London and Luxembourg:

(a) Memorandum and Articles of Association (with an English translation thereof) of each of ENBD and EGF;

(b) the consolidated audited financial statements of ENBD in respect of the financial years ended 31 December 2009 and 2010 (with an English translation thereof), in each case together with the audit reports prepared in connection therewith;

(c) the unaudited interim condensed financial statements of ENBD for the nine months ended 30 September 2011;

(d) the Programme Agreement, the Deed of Covenant, the Guarantee and the Agency Agreement (which contains the forms of the Global Notes, the Notes in definitive form, the Receipts, the Coupons and the Talons);

(e) a copy of this Base Prospectus; and

(f) in the case of each issue of Notes admitted to trading on the Luxembourg Stock Exchange's regulated market subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document).

In addition, copies of this Base Prospectus, each Final Terms relating to Notes which are admitted to trading on the Luxembourg Stock Exchange's Regulated Market and each document incorporated by reference are available on the Luxembourg Stock Exchange's website at www.bourse.lu.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg 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.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1 210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Conditions for Determining Price

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

Significant or Material Change

There has been no significant change in the financial or trading position of ENBD since 30 September 2011 and there has been no material adverse change in the prospects of ENBD since 31 December 2010.

There has been no significant change in the financial or trading position of EGF since its incorporation on 3 July 2009 and there has been no material adverse change in the prospects of EGF since 3 July 2009.

Litigation

None of the Issuers nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which any of the Issuers are aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of any of the Issuers or the Group.

Auditors

The auditors of ENBD are KPMG, who have audited ENBD's accounts, without qualification, in accordance with International Financial Reporting Standards for each of the two financial years ended 31 December 2009 and 31 December 2010. The auditors of ENBD have no material interest in ENBD.

KPMG is regulated in the UAE by the UAE Ministry of Economy which has issued KPMG with a licence to practice as auditors. There is no professional institute of auditors in the UAE and, accordingly, KPMG is not a member of a professional body in the UAE. All of KPMG's audit professionals and partners are members of the institutes from where they received their professional qualification.

Since the date of its incorporation, no financial statements of EGF have been prepared and EGF is not required by Cayman Islands law to do so.

Post-issuance Information

None of the Issuers intend to provide any post-issuance information in relation to any assets underlying issues of Notes constituting derivative securities except if required by applicable laws and regulations.

Dealers Transacting with EGF and ENBD

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to either of EGF and ENBD and their affiliates in the ordinary course of business.

ISSUERS

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Cayman Islands

GUARANTOR

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Dubai
United Arab Emirates

ISSUING AND PRINCIPAL PAYING AGENT AND TRANSFER AGENT

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PAYING AGENT, REGISTRAR AND TRANSFER AGENT

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To EGF as to Cayman Law

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To the Dealers as to English law

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