

SUBORDINATED LOAN AGREEMENT

THIS LOAN AGREEMENT is made on 14 December 2023.

BETWEEN

- (1) **THE LENDER** specified in the Loan Particulars below; and
- (2) **THE BORROWER** specified in the Loan Particulars below.

WHEREAS

The Lender has agreed to make a Loan (as defined below) available to the Borrower upon the terms and conditions set out in this Loan Agreement (as defined below) to provide funding to the Borrower and to contribute to meeting the Borrower's tier 2 regulatory capital requirements in the United Kingdom.

IT IS AGREED as follows:

1. Pursuant to this loan agreement (the "**Loan Agreement**"), a Loan will be made from the Lender to the Borrower on the Drawdown Date specified in the loan particulars set out in Schedule 1 (*Loan Particulars*) to this Loan Agreement (the "**Loan Particulars**"). The terms of the Loan comprise (a) the Loan Particulars and (b) the General Loan Terms and Conditions set out in Schedule 2 (*General Loan Terms and Conditions*) to this Loan Agreement (the "**General Terms**").
2. Capitalised terms used in the Loan Particulars shall have the meanings given to them in the General Terms.
3. To the extent there is any inconsistency between (a) the General Terms and (b) the Loan Particulars, the Loan Particulars shall prevail.

THIS LOAN AGREEMENT has been entered into on the date stated at the beginning of this Loan Agreement:

The Lender

Signed by: 
Name: Kevin Sheehan
Title: Assistant Treasurer

For and on behalf of
MORGAN STANLEY INTERNATIONAL HOLDINGS INC

The Borrower

Signed by: 
Name: Anthony Mullineux
Title: EMEA Chief Financial Officer

For and on behalf of
MORGAN STANLEY INTERNATIONAL LIMITED

**SCHEDULE 1
LOAN PARTICULARS**

a) Lender	Morgan Stanley International Holdings Inc
b) Borrower	Morgan Stanley International Limited
c) Ranking	Subordinated
d) Principal Amount	USD 2,100,000,000
e) Drawdown Date	15 December 2023
f) Repayment Date	15 December 2034
g) Interest	
i. Benchmark Rate	SOFR
ii. Margin	2.29 per cent. Per annum
iii. Interest Payment Dates	15 December, in every year
iv. Interest Determination Date	Not Applicable
v. Day Count Fraction	Actual/360
vi. p	Not Applicable
vii. Observation Method	Not Applicable
viii. Lookback Days	Not Applicable
ix. Observation Shift Days	Not Applicable
x. Relevant Screen Page	Not Applicable
xi. Relevant Time	Not Applicable
xii. Relevant Financial Centre	Not Applicable
xiii. Reference Banks	Not Applicable
xiv. Calculation Agent	Morgan Stanley & Co. International plc
h) Additional Business Centre	Not Applicable
i) Prepayment Option Date	15 December 2028
j) Tax Gross-Up	Not Applicable
k) Borrower's Account	Not Applicable

<p>l) AT1 Instruments</p>	<p>\$2.2Bn 2018 issuance to MORGAN STANLEY INTERNATIONAL HOLDINGS INC</p> <p>\$1.3Bn 2020 issuance to MORGAN STANLEY INTERNATIONAL HOLDINGS INC</p> <p>\$0.8Bn 2022 issuance to MORGAN STANLEY INTERNATIONAL HOLDINGS INC</p>
<p>m) Senior Subordinated Instruments</p>	<p>\$3.9Bn 2018 issuance to MORGAN STANLEY INTERNATIONAL HOLDINGS INC</p> <p>\$0.3Bn 2021 issuance to MORGAN STANLEY INTERNATIONAL HOLDINGS INC</p> <p>\$1.1Bn 2022 issuance to MORGAN STANLEY INTERNATIONAL HOLDINGS INC</p> <p>\$0.5Bn 2022 issuance to MORGAN STANLEY INTERNATIONAL HOLDINGS INC</p> <p>\$1.0Bn 2023 issuance to MORGAN STANLEY INTERNATIONAL HOLDINGS INC</p>
<p>n) Other terms</p>	<p>Not Applicable</p>

**SCHEDULE 2
GENERAL LOAN TERMS AND CONDITIONS**

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In the Loan Agreement:

"Additional Business Centre" has the meaning given to it in the relevant Loan Particulars;

"Additional Tier 1 Capital" has the meaning given to it by the Relevant Supervisor;

"Applicable Rules" means, at any time, the laws, regulations, requirements, guidelines and policies relating to capital adequacy (including, without limitation, as to leverage) then in effect in the United Kingdom including, without limitation to the generality of the foregoing, any regulations, requirements, guidelines and policies relating to capital adequacy adopted by the Relevant Supervisor from time to time (whether or not such requirements, guidelines or policies are applied generally or specifically to the Borrower or to the Borrower and any holding or subsidiary company of the Borrower or any subsidiary of any such holding company);

"AT1 Instruments" means any instruments specified as being "AT1 Instruments" in the relevant Loan Particulars or, if none, any instruments intended at their issue date to constitute Additional Tier 1 Capital of the Borrower;

"Banking Act" means the Banking Act 2009, as amended, supplemented or replaced from time to time;

"Benchmark Rate" means the reference rate specified as the "Benchmark Rate" in the relevant Loan Particulars, and, in relation to any Interest Period, the rate determined by the Calculation Agent as being such reference rate in relation to such Interest Period in accordance with Part A of Appendix 1 (*Benchmark Rates*) (if "€STR" is so specified), Part B of the Appendix (*Benchmark Rates*) (if "SONIA" is so specified), Part C of Appendix 1 (*Benchmark Rates*) (if "SOFR" is so specified) or Part D of Appendix 1 (*Benchmark Rates*) (if a reference rate other than "€STR", "SONIA" or "SOFR" is so specified);

"Borrower" means the entity specified as the "Borrower" in the relevant Loan Particulars and includes its and any subsequent successors and permitted transferees in accordance with their respective interests;

"Borrower's Account" has the meaning given to it in the relevant Loan Particulars;

"BRRD" means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, supplemented or replaced from time to time;

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London and any Additional Business Centre, and:

- (a) in relation to any date for payment of EUR, any TARGET Day;
- (b) in relation to any date for payment of USD, a day (other than a Saturday or Sunday) on which banks are open for general business in New York;

"Calculation Agent" has the meaning given to it in the relevant Loan Particulars;

"Capital Disqualification Event" means an event that shall be deemed to have occurred if the Borrower determines at any time after the Drawdown Date that there is a change in the regulatory classification of the Loan that results in or will result in its exclusion in whole from the regulatory capital of the Borrower or the Group;

"Day Count Fraction" means, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**) and, unless otherwise specified in the relevant Loan Particulars, either (1) Actual/365 (Fixed), where the relevant Benchmark Rate is SONIA or (2) Actual/360, where the relevant Benchmark Rate is €STR or SOFR, or in the case of any other Benchmark Rate, such day count fraction as may be specified in the relevant Loan Particulars, and:

- (a) if **"Actual/Actual (ICMA)"** is so specified, means:
- (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (b) if **"Actual/Actual (ISDA)"** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if **"Actual/365 (Fixed)"** is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if **"Actual/360"** is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if **"30/360"** is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

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

where:

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

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

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

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

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

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and **D₁** is greater than 29, in which case **D₂** will be 30;

- (f) if "**30E/360**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

- (g) if "**30E/360 (ISDA)**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

"**D₁**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Repayment Date or (ii) such number would be 31, in which case D₂ will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

"**Drawdown Date**" has the meaning given to it in the relevant Loan Particulars;

"**EEA**" means the European Economic Area;

"**EEA Resolution Authority**" means a resolution authority (as defined in BRRD) in the EEA other than the UK Resolution Authority;

"**€STR**" means, in relation to any Interest Period, the reference rate applicable to such Interest Period, as determined by the Calculation Agent in accordance with Part A (*€STR*) of Appendix 1 (*Benchmark Rates*);

"**Event of Default**" means an event of default under the Loan Agreement as described in Clause 7 (*Event of Default*);

"**EUR**" and "**euro**" denote the single currency of the participating member states of the European Union;

"**FDIC**" means the U.S. Federal Deposit Insurance Corporation;

"**GBP**" and "**sterling**" denote the lawful currency of the United Kingdom;

"**Group**" means the Borrower and its consolidated subsidiaries;

"**Interest Amount**" means, in relation to an Interest Period, the amount of interest payable in respect of the Loan for that Interest Period;

"**Interest Determination Date**" has the meaning given to it in the relevant Loan Particulars;

"**Interest Payment Dates**" has the meaning given to it in the relevant Loan Particulars or if any such date falls on a day that is not a Business Day, the next Business Day; **provided, however, that** the last interest payment date in respect of the Loan shall be the date on which that Loan is repaid in full;

"**Interest Period**" means the period beginning on (and including) the Drawdown Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

"Interest Rate" means, in respect of any Interest Period, the interest rate per annum which is the aggregate of:

- (a) the Margin; and
- (b) the Benchmark Rate applicable to such Interest Period,

subject to a minimum interest rate of 0 per cent. per annum;

"Junior Subordinated Obligations" means:

- (a) any AT1 Instruments;
- (b) any other obligations of the Borrower which by law rank or, by their terms are expressed to rank, *pari passu* with any AT1 Instruments; and
- (c) any other obligations of the Borrower which by law rank, or by their terms are expressed to rank, junior to the Subordinated Obligations;

"Lender" means the entity specified as the "Lender" in the relevant Loan Particulars and includes its and any subsequent successors and permitted transferees in accordance with their respective interests;

"Loan" means the loan made under the Loan Agreement;

"Margin" has the meaning given to it in the relevant Loan Particulars;

"Morgan Stanley Group" means Morgan Stanley and its consolidated subsidiaries;

"Own Funds Instruments" means:

- (a) capital instruments that meet the requirements for "Common Equity Tier 1 instruments" under the Applicable Rules (including pursuant to any grandfathering or other transitional provisions thereof);
- (b) capital instruments that meet the requirements for "Additional Tier 1 instruments" under the Applicable Rules (including pursuant to any grandfathering or other transitional provisions thereof); and
- (c) capital instruments or subordinated loans that meet the requirements for "Tier 2 instruments" under the Applicable Rules (including pursuant to any grandfathering or other transitional provisions thereof);

"Parity Obligations" means any obligations of the Borrower which by law rank, or by their terms are expressed to rank, *pari passu* with the claims of the Lender in respect of the Loan;

"Principal Amount" has the meaning given to it in the relevant Loan Particulars;

"Regular Period" means:

- (a) in the case of a Loan where interest is scheduled to be paid only by means of regular payments, each period from and including the Drawdown Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

- (b) in the case of a Loan where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of a Loan where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"**Relevant Supervisor**" means the entity primarily responsible for the prudential supervision of the Borrower, being the Prudential Regulation Authority, the Financial Conduct Authority or any other entity so responsible (as applicable), or in each case any successor thereto;

"**Relevant Supervisory Consent**" means, in relation to any prepayment of the Loan, any required permission of the Relevant Supervisor for such prepayment;

"**Repayment Date**" has the meaning given to it in the relevant Loan Particulars, or if such date falls on a day that is not a Business Day, the next Business Day;

"**Resolution Authority**" means the UK Resolution Authority, an EEA Resolution Authority or a Third Country Resolution Authority;

"**Resolution Entity**" means an entity which is identified by a Resolution Authority in relation to a resolution plan as a resolution entity under the Banking Act or other applicable United Kingdom legislation, or BRRD (or an analogous entity under any analogous legislation or regulation in any jurisdiction other than the United Kingdom or another member state of the EEA);

"**Resolution Legislation**" means any law or regulation relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings), including, without limitation, Title II of the United States Dodd-Frank Wall Street Reform and Consumer Protection Act;

"**Resolution Proceedings**" means:

- (a) the exercise of a stabilisation power by the UK Resolution Authority under the Banking Act;
- (b) the exercise of a resolution tool (as defined in BRRD) by an EEA Resolution Authority; or
- (c) any analogous action taken by a Third-Country Resolution Authority pursuant to applicable Resolution Legislation;

"**Senior Creditors**" means creditors of the Borrower who are unsubordinated creditors of the Borrower;

"**Senior Subordinated Creditors**" means creditors of the Borrower in respect of its Senior Subordinated Obligations;

"Senior Subordinated Instruments" means any instruments specified as being "Senior Subordinated Instruments" in the relevant Loan Particulars or, if none, any subordinated instruments of the Borrower intended at their issue date to rank senior to Subordinated Obligations;

"Senior Subordinated Obligations" means:

- (a) the obligations of the Borrower in respect of any Senior Subordinated Instruments;
- (b) any obligations of the Borrower which by law rank, or by their terms are expressed to rank, *pari passu* with any Senior Subordinated Instruments;
- (c) any other obligations of the Borrower which are subordinated to other obligations of the Borrower other than:
 - (i) Subordinated Obligations; and
 - (ii) Junior Subordinated Obligations;

"SONIA" means, in relation to any Interest Period, the reference rate applicable to such Interest Period, as determined by the Calculation Agent in accordance with Part B (*SONIA*) of Appendix 1 (*Benchmark Rates*);

"SOFR" means, in relation to any Interest Period, the reference rate applicable to such Interest Period, as determined by the Calculation Agent in accordance with Part C (*SOFR*) of Appendix 1 (*Benchmark Rates*);

"Subordinated Obligations" means:

- (a) the obligations of the Borrower in respect of the Loan under the Loan Agreement; and
- (b) any Parity Obligations;

"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

"TARGET Day" means any day on which TARGET2 is open for the settlement of payments in euro;

a **"Taxation Event"** is deemed to have occurred if:

- (a) as a result of a Tax Law Change, in making any payments on the Loan the Borrower has paid or will or would on the next payment date be required to pay any withholding or make deduction for or on account of any present or future tax, duty, assessment or governmental charge of whatsoever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or any authority thereof or therein having power to tax; and/or
- (b) a Tax Law Change would:
 - (i) result in the Borrower not being entitled to claim a deduction in respect of any payments in respect of the Loan in computing its taxation liabilities or materially reduce the amount of such deduction;

- (ii) prevent the Loan from being treated as a loan relationship for United Kingdom tax purposes;
- (iii) as a result of the Loan being in issue, result in the Borrower not being able to have losses or deductions set against the profits or gains, or profits or gains offset by the losses or deductions, of companies with which it is or would otherwise be so grouped for applicable United Kingdom tax purposes (whether under the group relief system current as at the Drawdown Date or any similar system or systems having like effect as may from time to time exist);
- (iv) result in a United Kingdom tax liability, or the receipt of income or profit which would be subject to United Kingdom tax, in respect of a write-down of the principal amount of the Loan;
- (v) result in the Loan or any part thereof being treated as a derivative or an embedded derivative for United Kingdom tax purposes; or
- (vi) result in the Borrower having to bring into account credits or debits arising out of the valuation of the Loan or any part thereof;

"Tax Law Change" means a change in, or amendment to, the laws or regulations of the United Kingdom, or any political subdivision or authority therein or thereof, having the power to tax, including any treaty to which the United Kingdom is a party, or any change in any generally published application or interpretation of such laws, including a decision of any court or tribunal or any change in the generally published application or interpretation of such laws by any relevant tax authority or any generally published pronouncement by any tax authority, which change, amendment or pronouncement (x) (subject to (y)) becomes effective on or after the Drawdown Date, or (y) in the case of a change in law, if such change is enacted by United Kingdom Act of Parliament or implemented by statutory instrument, on or after the Drawdown Date;

"Third Country Resolution Authority" means any authority outside the United Kingdom or the EEA with the power to take action under Resolution Legislation;

"UK Resolution Authority" means the Bank of England, acting in its capacity as the United Kingdom resolution authority, or any successor or other entity acting in its capacity as such;

"USD" and **"dollars"** denotes the lawful currency of the United States of America;

"Write-Down" means the reduction or cancellation of all or a portion of a Loan and/or interest on a Loan; and

"Write-Down Direction" has the meaning given to it in Clause 12.2.

1.2 **Third party rights**

A person who is not a party to the Loan Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of the Loan Agreement.

2. **THE LOAN**

- 2.1 Subject to the terms of the Loan Agreement, the Lender shall make available to the Borrower a Loan in the Principal Amount on the Drawdown Date.

2.2 The proceeds of the Loan shall be (i) credited to the Borrower's Account or to such other account as the Borrower may specify in writing or (ii) applied to the repayment of existing loans between the Borrower and the Lender on the Drawdown Date.

3. **INTEREST**

3.1 Unless otherwise provided in the relevant Loan Particulars, interest shall accrue on the outstanding principal amount of the Loan from the Drawdown Date until its repayment at the Interest Rate applicable to each Interest Period.

3.2 Unless otherwise provided in the relevant Loan Particulars, interest on the Loan shall be payable in arrear on each Interest Payment Date.

3.3 The Calculation Agent will, as soon as practicable on the Interest Determination Date in relation to each Interest Period, calculate the Interest Amount payable in respect of the Loan for such Interest Period. The Interest Amount will be calculated by applying the Interest Rate for such Interest Period to the outstanding principal amount of the Loan, and multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the currency of the Loan (half a sub-unit being rounded upwards). For this purpose, a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

3.4 The Calculation Agent will cause each Interest Rate and Interest Amount determined by it, together with the relevant Interest Payment Date, to be notified to the Lender and the Borrower (in each case, to the extent such party is not the Calculation Agent) as soon as practicable after such determination.

4. **DEFERRED INTEREST**

4.1 The Borrower may, with the consent of the Lender, defer the payment of any Interest Amount in respect of the Loan (each such amount being a "**Deferred Interest Amount**").

4.2 Prior to any consent being given by the Lender under Clause 4.1, the Lender and the Borrower shall agree a rate at which interest shall accrue on such Deferred Interest Amount (the amount of any such accrued interest being "**Additional Interest**"). The Lender and the Borrower may agree at any time to revise the rate at which Additional Interest accrues.

4.3 The Borrower may, subject to Clause 4.4, pay the Deferred Interest Amount together with any Additional Interest accrued to the Lender at any time.

4.4 Following any deferral pursuant to Clause 4.1, the Lender may, upon no less than 120 calendar days' written notice, require the Borrower to pay the Deferred Interest Amount. Upon the expiry of such notice period, the Borrower shall pay to the Lender the Deferred Interest Amount together with any Additional Interest accrued.

5. **REPAYMENT**

5.1 Subject to Clauses 5.2 to 5.4, (a) the Loan (together with all interest accrued thereon and other amounts due or owing to the Lender in connection with the Loan) shall be repayable in full by the Borrower on the Repayment Date and (b) the Lender and the Borrower acknowledge and agree that the Borrower does not have any other rights or obligations to prepay the Loan (or any portion of the Loan) prior to its Repayment Date.

- 5.2 Subject to Clause 5.5, the Loan may be prepaid at the option of the Borrower, in whole, but not in part, on any date, on giving not less than 1 nor more than 60 days' written notice (or such other period as may be agreed between the Borrower and the Lender) to the Lender, in substantially the form set out in Appendix 3 (*Form of Prepayment Notice and Certificate*), in accordance with Clause 16 (*Notices*) (which notice shall be irrevocable) at its outstanding principal amount, together with interest accrued and unpaid, if any, to the date fixed for prepayment, if a Taxation Event occurs.
- 5.3 The Loan may be prepaid at the option of the Borrower in whole or in part on any date falling on or after the Prepayment Option Date on the Borrower's giving not less than 1 nor more than 60 days' written notice (or such other period as may be agreed between the Borrower and the Lender) to the Lender, in substantially the form set out in Appendix 3 (*Form of Prepayment Notice and Certificate*), in accordance with Clause 16 (*Notices*) (which notice shall be irrevocable and shall oblige the Borrower to prepay the Loan on such date). On the date so fixed, the Borrower shall, subject to Clause 5.5, prepay all of the Loan at its outstanding principal amount (or, if so specified in the prepayment notice, the relevant part thereof) together with interest accrued thereon to the date fixed for prepayment.
- 5.4 Subject to Clause 5.5, the Borrower may, within 90 days of the occurrence of the relevant Capital Disqualification Event and on giving not less than 1 nor more than 60 days' written notice (or such other period as may be agreed between the Borrower and the Lender) to the Lender, in substantially the form set out in Appendix 3 (*Form of Prepayment Notice and Certificate*), in accordance with Clause 16 (*Notices*) (which notice shall, subject to Clause 5.5 be irrevocable), at its option, prepay all, but not some only, of the Loan at its outstanding principal amount, together with interest accrued and unpaid, if any, to the date fixed for prepayment.
- 5.5 Unless the Loan has (or will have on the date fixed for prepayment) ceased fully to qualify as part of the Borrower's regulatory capital, the Borrower may only exercise any right to prepay the Loan pursuant to this Clause 5 if the Borrower has first:
- (a) in the case of a prepayment pursuant to Clause 5.2 before the fifth anniversary of the Drawdown Date, demonstrated to the satisfaction of the Relevant Supervisor that the relevant Taxation Event is material and was not reasonably foreseeable on the Drawdown Date;
 - (b) in the case of a prepayment pursuant to Clause 5.4 before the fifth anniversary of the Drawdown Date, demonstrated to the satisfaction of the Relevant Supervisor that the relevant change in the regulatory classification of the Loan was not reasonably foreseeable on the Drawdown Date; and
 - (c) in the case of all prepayments, obtained a Relevant Supervisory Consent.

For these purposes, as between the Borrower and the Lender, the Borrower shall be deemed to have satisfied the conditions set out in (a) or (b) above (as applicable) for a prepayment pursuant to Clause 5.2 to 5.4 (as the case may be) if it has obtained a Relevant Supervisory Consent pursuant to (c) above and a certificate signed by two authorised signatories of the Borrower stating that it has obtained a Relevant Supervisory Consent shall be conclusive and binding on the Lender.

6. **SUBORDINATION**

In the event of a winding-up of the Borrower in England, claims against the Borrower in respect of a Loan shall rank:

- (a) subordinated in right of payment to claims of Senior Creditors and claims in respect of Senior Subordinated Obligations;
- (b) *pari passu* with claims in respect of Parity Obligations; and
- (c) senior to the Borrower's ordinary shares, preference shares and claims in respect of Junior Subordinated Obligations.

7. **EVENT OF DEFAULT**

Non-payment of principal or interest due by the Borrower on the Loan shall constitute an event of default under the Loan Agreement.

8. **REMEDIES**

8.1 In the event of the occurrence of an Event of Default, the Lender's sole remedy shall be to petition for the winding-up of the Borrower in England and the Lender waives all other remedies, including without limitation, any right to institute any other proceedings, in respect of any interest, principal or any other amounts due under the Loan Agreement or in respect of any breach by the Borrower of any obligation, condition or provision of the Loan Agreement.

8.2 In the event of an order being made or an effective resolution being passed for the winding-up of the Borrower in England (otherwise than in connection with a solvent reconstruction or amalgamation), the Lender may declare the principal of the Loan due and repayable immediately (and such principal shall thereby become so due and repayable) together with accrued interest.

9. **PAYMENTS**

Subject to Clause 10, unless required by law and unless the Borrower and the Lender agree otherwise, all payments made by the Borrower hereunder shall be made free and clear of and without any withholding or deduction for or on account of any tax or counterclaim.

10. **TAX GROSS-UP**

If Tax Gross-Up is specified as applicable in the relevant Loan Particulars, in the case of any withholding or deduction for or on account of any tax required by law, the Borrower shall pay such additional amounts in respect of interest but not principal as will result in receipt by the Lender after such withholding or deduction of such amounts of interest as would have been received by it had no such withholding or deduction been required. Any reference in the Loan Agreement to interest shall be deemed to include any additional amounts in respect of interest which may be payable under this Clause 10.

Notwithstanding any other provision in the Loan Agreement, the Borrower shall be permitted to withhold or deduct any amounts required by the rules of the U.S. Internal Revenue Code of 1986 Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**FATCA withholding**"). The Borrower will have no obligation to pay additional amounts or otherwise indemnify the Lender for any FATCA withholding deducted or withheld

by the Borrower as a result of any person not being entitled to receive payments free of FATCA withholding.

11. SET OFF

The Lender hereby waives any right to set-off any amount of interest, principal or any other amounts due under the Loan Agreement against any amounts owed to the Borrower by the Lender and waives any right to counterclaim for any amount of interest, principal or any other amounts due under the Loan Agreement in any action by the Borrower against the Lender in respect of any amount owed to the Borrower by the Lender. In the event that the Lender recovers any amount in respect of principal, interest or any other amounts due on the Loan (the "**Original Debt**") by virtue of the application of any relevant rules of mandatory set-off applicable under English law in circumstances where the claims of any Senior Creditors or Senior Subordinated Creditors remain outstanding, the Lender shall pay an amount equal to whichever is the lesser of the amount so recovered and the aggregate amount of the claims of Senior Creditors and Senior Subordinated Creditors then remaining outstanding to the liquidator of the Borrower upon trust for such Senior Creditors and Senior Subordinated Creditors. The Lender may rely upon a certificate of the liquidator for the purpose of determining whether or not any claims of Senior Creditors or Senior Subordinated Creditors remain outstanding and if so their amount or aggregate amount. The Borrower shall not be obliged to concern itself with the distribution by the liquidator of any payment so made to the liquidator. To the extent of any payment so made, the Original Debt shall be treated as if it had not been discharged.

12. WRITE-DOWN

12.1 Notwithstanding any other agreements, arrangements, or understandings between the Lender and the Borrower, by extending a Loan, the Lender acknowledges, accepts, agrees to be bound by, and consents to the Write-Down of such Loan in any of the following circumstances:

12.1.1

- (a) any Own Funds Instruments of the Borrower have been written-down or converted into equity pursuant to any statutory or regulatory power linked to the financial condition or viability of the Borrower (including, without limitation, section 6B of the Banking Act); and
- (b) the UK Resolution Authority includes in its Write-Down Direction a statement that the FDIC, acting in its capacity as the United States resolution authority of the Morgan Stanley Group, has either (1) consented to the Write-down or (2) has not objected to the Write-down within 24 hours of the UK Resolution Authority having given it notice thereof; or

12.1.2 any Resolution Entity in the Morgan Stanley Group which is a direct or indirect parent of the Borrower is subject to Resolution Proceedings in the United Kingdom or elsewhere.

12.2 If in the circumstances set out in Clause 12.1.1 or Clause 12.1.2 the UK Resolution Authority directs the Borrower to effect a Write-Down of a Loan, giving details of the extent of the same (such direction being a "**Write-Down Direction**"), then:

12.2.1 the Borrower shall promptly give notice (a "**Write-Down Notice**") to the Lender of such reduction or cancellation, giving details of the same consistent with the Write-Down Direction, including the date on which such reduction or cancellation is to take effect (the "**Write-Down Date**"); and

12.2.2 the Loan and/or interest thereon (as applicable) shall be written down in the amount(s) specified in in the Write-Down Notice on the Write-Down Date at which point all of the Borrower's obligations in respect of the amount(s) so written down shall be irrevocably discharged,

and each of the Borrower and the Lender shall do all such acts and things necessary to give effect to the above.

13. **PARTIAL INVALIDITY**

If, at any time, any provision of the Loan Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

14. **AMENDMENT**

The terms of the Loan Agreement may be amended at any time by mutual agreement between the Borrower and the Lender but subject to the prior notification and non-objection of the Relevant Supervisor.

15. **CHANGES IN PARTIES**

15.1 Neither the Lender nor the Borrower may assign its rights, in whole or in part, under the Loan Agreement unless:

15.1.1 such assignment is in a minimum amount of at least USD, EUR or GBP 5,000,000 (as applicable) and integral multiples thereof, or in the case of a Loan denominated in any other currency, such minimum amount as may be agreed between the Lender and the Borrower;

15.1.2 the entity to which it is assigning rights to is an entity that is a member of the Morgan Stanley Group; and

15.1.3 the written consent of the other party has been obtained in advance (such consent not to be unreasonably withheld).

15.2 Any purported assignment that does not comply with the terms of Clause 15.1 shall be void.

15.3 Any such assignment shall be executed using the form of assignment agreement set out in Appendix 2 (*Form of Assignment Agreement*) or such other document(s) as the parties may agree.

16. **NOTICES**

Each communication to be made under the Loan Agreement shall, unless otherwise agreed between the parties, be made by e-mail to the recipient at emeacapmgmt@morganstanley.com or such other email address as the parties have notified to each other. Any such communication shall be deemed to have been received when transmitted, provided that any communication received after 5:00 p.m. in the place of receipt shall be deemed only to be received the following day.

17. **COUNTERPARTS**

The Loan Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Loan Agreement.

18. **GOVERNING LAW**

The Loan Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

19. **JURISDICTION**

19.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with the Loan Agreement (including a dispute relating to the existence, validity or termination of the Loan Agreement or the consequences of its nullity or any non-contractual obligations arising out of or in connection with the Loan Agreement) (a "**Dispute**").

19.2 The parties to the Loan Agreement agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party to the Loan Agreement will argue to the contrary.

**APPENDIX 1
BENCHMARK RATES**

**Part A
€STR**

If the relevant Loan Particulars specify €STR as the Benchmark Rate, the following provisions shall apply:

1. The Benchmark Rate for an Interest Period shall be "€STR". In relation to any Interest Period:

"€STR" means the rate of return of a daily simple interest investment calculated in accordance with the formula below and the resulting percentage being rounded, if necessary, to the nearest ten-thousandth of a percentage point, with 0.00005 being rounded upwards:

$$\left[\sum_{i=1}^{d_0} \left(\frac{\text{€STR}_{i-pTBD} \times n_i}{360} \right) \right] \times \frac{360}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Period;

"**d₀**" for any Interest Period, means the number of TARGET Days in the relevant Interest Period;

"**€STR_{i-pTBD}**" means the €STR Reference Rate for the TARGET Day falling "p" TARGET Days prior to the relevant TARGET Day, "i";

"**€STR Reference Rate**" means, in respect of any TARGET Day, a reference rate equal to the daily euro short-term rate for such TARGET Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank initially at <http://www.ecb.europa.eu>, or any successor website officially designated by the European Central Bank (the "**ECB's Website**") (in each case, on or before 9:00a.m., Central European Time, on the TARGET Day immediately following such TARGET Day);

"**i**" is a series of whole numbers from one to d₀, each representing the relevant TARGET Days in chronological order from and including the first TARGET Day in the relevant Interest Period;

"**n_i**" for any TARGET Day "i", means the number of calendar days from, and including, such TARGET Day "i" up to, but excluding, the following TARGET Day;

"**Observation Period**" means, in respect of an Interest Period, the period from, and including, the date which is "p" TARGET Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Drawdown Date) and ending on, but excluding the date which is "p" TARGET Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" TARGET Days prior to such earlier date, if any, on which the Loan becomes due and payable);

"**p**" means the whole number specified in the relevant Loan Particulars as the Observation Period, such number representing a number of TARGET Days; and

"**TBD**" means any TARGET Day,

provided, however, that, if the Calculation Agent is unable to determine a rate in accordance with the above provisions in relation to any Interest Period, the Benchmark Rate applicable to the Loan in respect of such Interest Period will be (i) the rate last determined in relation to the Loan in respect of a preceding Interest Period or (ii) such rate as the Borrower and the Lender may otherwise agree.

Part B SONIA

If the relevant Loan Particulars specify SONIA as the Benchmark Rate, the following provisions shall apply:

1. The Benchmark Rate will be determined based on either Lookback or Observation Shift, as follows:
 - (a) if Lookback is specified as the Observation Method in the relevant Loan Particulars, the Benchmark Rate for each Interest Period shall be equal to the value of the SONIA rates for each day during the relevant Interest Period, aggregated daily in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\sum_{i=1}^{d_0} \left(\frac{SONIA_{i-pLBD} \times n_i}{365} \right) \right] \times \frac{365}{d}$$

where:

"**d**" means the number of calendar days in the relevant Interest Period;

"**d₀**" for any Interest Period, means the number of London Banking Days in the relevant Interest Period;

"**i**" is a series of whole numbers from one to **d₀**, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Period;

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**Lookback Days**" means the number of London Banking Days specified in the relevant Loan Particulars;

"**n_i**" for any London Banking Day "**i**" in the relevant Interest Period, means the number of calendar days from, and including, such day "**i**" up to, but excluding, the following London Banking Day ("**i+1**");

"**Observation Method**" has the meaning given to it in the relevant Loan Particulars;

"**Relevant Screen Page**" has the meaning given to it in the relevant Loan Particulars;

"**SONIA**", in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors, in each case on the London Banking Day immediately following such London Banking Day; and

"**SONIA_i-pLBD**" for any London Banking Day "i" in the relevant Interest Period, is equal to the SONIA in respect of the London Banking Day falling a number of London Banking Days prior to that day "i" equal to the number of Lookback Days; or

- (b) if Observation Shift is specified as the Observation Method in the relevant Loan Particulars, the Benchmark Rate for each Interest Period shall be equal to the value of the SONIA rates for each day during the relevant Observation Period, aggregated daily in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\sum_{i=1}^{d_0} \left(\frac{SONIA_i \times n_i}{365} \right) \right]$$

where:

"**d**" means the number of calendar days in the relevant Observation Period;

"**d₀**" for any Observation Period, means the number of London Banking Days in the relevant Observation Period;

"**i**" is a series of whole numbers from one to d₀, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Observation Period;

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**n_i**" for any London Banking Day "i" in the relevant Observation Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following London Banking Day ("**i+1**");

"**Observation Period**" means, in respect of each Interest Period, the period from, and including, the date falling a number of London Banking Days equal to the Observation Shift Days preceding the first day of the such Interest Period to, but excluding, the date falling a number of London Banking Days equal to the Observation Shift Days preceding the Interest Payment Date for such Interest Period;

"Observation Shift Days" means the number of London Banking Days specified in the relevant Loan Particulars;

"SONIA", in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors, in each case on the London Banking Day immediately following such London Banking Day; and

"SONIA_i" for any London Banking Day "i" in the relevant Observation Period, is equal to SONIA in respect of that day "i",

provided, however, that, in the case of (a) and (b), if the Calculation Agent is unable to determine a rate in accordance with the above provisions in relation to any Interest Period, the Benchmark Rate applicable to the Loan in respect of such Interest Period will be (i) the rate last determined in relation to the Loan in respect of a preceding Interest Period or (ii) such rate as the Borrower and the Lender may otherwise agree.

Part C SOFR

If the relevant Loan Particulars specify SOFR as the Benchmark Rate, the following provisions shall apply:

1. The Benchmark Rate for an Interest Period will be the SOFR Accrued Interest Factor. With respect to any Interest Period, the **"SOFR Accrued Interest Factor"** means the rate of return of a daily simple interest investment computed in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\sum_{i=1}^{d_0} \left(\frac{SOFR_i \times n_i}{360} \right) \right] \times \frac{360}{d}$$

where:

"d" means the number of calendar days in the relevant Interest Period;

"d₀", for any Interest Period, means the number of U.S. Government Securities Business Days in the relevant Interest Period;

"i" is a series of whole numbers from one to d₀, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Period;

"n_i" means the number of calendar days in the relevant Interest Period on which the rate is SOFR_i; and

"SOFR_i", for any day "i" in the relevant Interest Period, means a reference rate equal to SOFR in respect of that day,

provided, however, that if the Calculation Agent is unable to determine a rate in accordance with the above provisions in relation to any Interest Period, the Benchmark Rate applicable to the Loan in respect of such Interest Period will be (i) the rate last determined in relation to the Loan in respect of a preceding Interest Period or (ii) such rate as the Borrower and the Lender may otherwise agree.

For these calculations, the interest rate in effect on any U.S. Government Securities Business Day will be the applicable rate as reset on that date. The interest rate applicable to any other day is the interest rate from the immediately preceding U.S. Government Securities Business Day.

For the purposes of calculating SOFR with respect to the final Interest Period, the level of SOFR for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Repayment Date or the prepayment date, as applicable, shall be the level of SOFR in respect of such SOFR Rate Cut-Off Date.

In this Part C:

"New York Federal Reserve" means the Federal Reserve Bank of New York;

"New York Federal Reserve's Website" means the website of the New York Federal Reserve, currently at <http://www.newyorkfed.org>, or any successor source;

"Relevant Governmental Body" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

"SOFR" means, with respect to any U.S. Government Securities Business Day, the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day as provided by the New York Federal Reserve, as the administrator of such rate (or a successor administrator) on the New York Federal Reserve's Website on or about 5:00 p.m. (New York time) on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day;

"SOFR Rate Cut-Off Date" means the date that is the second U.S. Government Securities Business Day prior to the Repayment Date or the prepayment date, as applicable; and

"U.S. Government Securities Business Day" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for the purposes of trading in U.S. government securities.

Part D Other Benchmark Rates

If the relevant Loan Particulars specify a Benchmark Rate other than €STR, SONIA or SOFR as the applicable Benchmark Rate, the following provisions shall apply:

1. The Benchmark Rate for an Interest Period will be determined by the Calculation Agent on the following basis:

- (a) if the Benchmark Rate is a composite quotation or customarily supplied by one entity, the Benchmark Rate will be the rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date in respect of such Interest Period;
- (b) in any other case, the Benchmark Rate will be the arithmetic mean of the rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date in respect of such Interest Period;
- (c) if, in the case of (a) above, such rate does not appear on that page or, in the case of (b) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will: (i) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Benchmark Rate at approximately the Relevant Time on the Interest Determination Date in respect of such Interest Period to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and (ii) determine the arithmetic mean of such quotations; and
- (d) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Benchmark Rate, as determined by the Calculation Agent) quoted by major banks in the principal financial centre of the relevant currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the principal financial centre of the specified currency) on the first day of the relevant Interest Period for loans in such currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Benchmark Rate applicable to the Loan in respect of such Interest Period will be (i) the rate (or as the case may be) the arithmetic mean last determined in relation to the Loan in respect of a preceding Interest Period or (ii) such rate as the Borrower and the Lender may otherwise agree.

As used in this Part D:

"Reference Banks" means the banks specified as such in the applicable Loan Supplement or, if none are specified, four major banks selected by the Calculation Agent in the market that is most closely connected with the Benchmark Rate; and

"Relevant Financial Centre" means, in relation to a Loan and the applicable Benchmark Rate, the city specified as such in the applicable Loan Particulars.

**APPENDIX 2
FORM OF ASSIGNMENT AGREEMENT**

To: [Morgan Stanley & Co. International plc / Morgan Stanley Investment Management Limited / Morgan Stanley Bank International Limited / Morgan Stanley International Limited / Morgan Stanley Investments (UK) / [•]] (the "**Borrower**")

[*date*]

[EUR / GBP / USD / [•]] [amount] loan (the "Loan") made pursuant to a Subordinated Loan Agreement entered into between [Morgan Stanley International Holdings Inc / Morgan Stanley International Limited / Morgan Stanley Investments (UK) / [•]] (the "Lender") and the Borrower on [date] (the "Loan Agreement")

1. Pursuant to Clause 15 of the Loan Agreement, the Lender hereby assigns absolutely with full title guarantee all of its rights and benefits (present and future, actual and contingent and including, without limitation, in respect of amounts owing under the Loan Agreement) in relation to [the whole of]/[amount] of the Loan (the "**Assignment**") to [•] (the "**New Lender**") and the New Lender hereby accepts such assignment.
2. By countersigning below, the Borrower acknowledges that it hereby has notice of, and agrees to, the Assignment [and confirms that it has received no previous notices of any assignment in relation to the Loan Agreement]. It further agrees with the Lender and the New Lender that with effect from the date hereof, as a result of the Assignment, the New Lender shall be entitled to the same rights as if it were named as lender as an original party in the Loan Agreement in place of the Lender.
3. The Lender, the Borrower and the New Lender agree to promptly take any such action and execute any such documents as may be necessary to effect the Assignment.
4. This Assignment Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Assignment Agreement.
5. The Assignment Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by English law.
6. Clause 19 (*Jurisdiction*) of the Loan Agreement shall apply to this Assignment Agreement *mutatis mutandis*.

THIS ASSIGNMENT AGREEMENT has been entered into on the date stated at the beginning of this Assignment Agreement.

The Lender

Signed by:

Name:

Title:

For and on behalf of

[MORGAN STANLEY INTERNATIONAL HOLDINGS INC / MORGAN STANLEY INTERNATIONAL LIMITED / MORGAN STANLEY INVESTMENTS (UK) / [•]]

The New Lender

Signed by:

Name:
Title:

For and on behalf of
[•]

Acknowledged and accepted

The Borrower

Signed by:

Name:
Title:

For and on behalf of
**[MORGAN STANLEY & CO. INTERNATIONAL PLC / MORGAN STANLEY INVESTMENT
MANAGEMENT LIMITED / MORGAN STANLEY BANK INTERNATIONAL LIMITED /
MORGAN STANLEY INTERNATIONAL LIMITED / MORGAN STANLEY INVESTMENTS
(UK) / [•]]**

**APPENDIX 3
FORM OF PREPAYMENT NOTICE AND CERTIFICATE**

From: [Morgan Stanley & Co. International plc / Morgan Stanley Investment Management Limited / Morgan Stanley Bank International Limited / Morgan Stanley International Limited / Morgan Stanley Investments (UK) / [•]] (the "**Borrower**")

To: [Morgan Stanley International Holdings Inc / Morgan Stanley International Limited / Morgan Stanley Investments (UK) / [•]] (the "**Lender**")

[date]

Dear Sirs

[EUR / GBP / USD / [•]] [amount] loan (the "Loan") made pursuant to a Subordinated Loan Agreement entered into between the Lender and the Borrower on [date] (the "Loan Agreement")

1. Capitalised terms used but not defined herein shall have the meanings given to them in the Loan Agreement.
2. In accordance with Clause [5.2/5.3/5.4] of the Loan Agreement, we hereby give notice to you that we will prepay [the whole / [EUR / GBP / USD / [•]] [amount]]¹ of the Loan on [date] (the "**Prepayment Date**"), at [its outstanding principal amount / such principal amount] together with interest accrued and unpaid, if any, to the Prepayment Date (the "**Prepayment**").
3. For the purposes of Clause 5.5, we confirm that we have received a Relevant Supervisory Consent in relation to the Prepayment.
4. This letter agreement and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

Yours faithfully

.....

authorised signatory

.....

authorised signatory

for and on behalf of

The Borrower

[MORGAN STANLEY & CO. INTERNATIONAL PLC / MORGAN STANLEY INVESTMENT MANAGEMENT LIMITED / MORGAN STANLEY BANK INTERNATIONAL LIMITED / MORGAN STANLEY INTERNATIONAL LIMITED / MORGAN STANLEY INVESTMENTS (UK) / [•]]

¹ Partial prepayment only permitted in the case of a prepayment under Clause 5.3.