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THIS GUARANTEE is made by way of deed on 16 November 2015 by BNP Paribas S.A. ("**BNPP**") in favour of the Holders and the Accountholders (each as defined below), the counterparties to the IPED Agreements (as defined below) and the beneficiaries for the time being of any Undertaking (as defined below). This Guarantee shall take effect from the Securities Issuer Role Transfer Time (as defined in the Scheme).

WHEREAS:

On 19 February 2014, The Royal Bank of Scotland plc ("**RBS plc**") announced that it had reached an agreement with BNPP for the disposal of certain assets and liabilities related to its structured retail investor products and equity derivatives ("**IPED**") business, as well as associated market-making activities (the "**Proposed Transaction**").

It was also announced in February 2014 that as part of the Proposed Transaction, where available, statutory transfer schemes would be used to effect a legal transfer of eligible transactions (including securities) to BNPP or one of its affiliates. In particular, it was announced that RBS plc and BNPP would work together with the aim of implementing a banking business transfer scheme pursuant to Part VII of the UK Financial Services and Markets Act 2000 (the "**Scheme**").

Provided the Scheme is approved by the Court of Session in Scotland at a hearing expected to be held on 19 November 2015, it is expected to become effective at 00:01hrs (GMT) on 7 December 2015.

Pursuant to the Scheme, the rights and obligations of RBS plc as issuer of the Securities will be legally transferred to BNPP. Immediately thereafter, on the basis of this Guarantee, the Securities Issuer Role (as defined in the Scheme) will be transferred to BNP Paribas Arbitrage Issuance B.V. ("**BNPP B.V.**"), a wholly owned subsidiary of BNPP, which will become the issuer of the Securities with effect from the Securities Issuer Role Transfer Time (as defined in the Scheme).

BNPP wishes to guarantee, in the form set out in the Scheme, all the obligations of BNPP B.V. arising in respect of the Securities, the IPED Agreements and the Undertakings.

NOW THIS DEED WITNESSES as follows:

1. Definitions and interpretation

"**Accountholder**" means any accountholder, or participant, with a Clearing System which, on or following the Relevant Date, has credited to its securities account with such Clearing System one or more entries in respect of a Security, for so long as such entries remain credited to its securities account, except for any Clearing System in its capacity as an accountholder of another Clearing System;

"**Clearing System**" means each of Euroclear and Clearstream, Luxembourg, and any other clearing system in which the Securities are held from time to time;

"**Conditions**" has the meaning given to it in Clause 2;

"**Deed of Irrevocable Offer**" means a deed of irrevocable offer to be entered into by BNPP and BNPP B.V. on or around the date of this Guarantee in the form set out in the Scheme;

"**Entitlement**" means, in relation to a Physical Delivery Security, the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Holder is entitled to receive in accordance with the applicable Conditions;

“**Guaranteed Party**” means each Holder, Accountholder, counterparty to an IPED Agreement and beneficiary of an Undertaking;

“**Holders**” means the holders for the time being of the Securities and “**Holder**” means any one of them;

“**IPED Agreements**” means the agreements listed in Part 3A of Schedule 1 to the Scheme and “**IPED Agreement**” means any one of them;

“**Physical Delivery Securities**” means Securities the terms and conditions of which provide for settlement to be made by physical delivery of assets;

“**Relevant Asset**” means, in respect of a Physical Delivery Security, asset(s) or the type of assets required to be delivered to a Holder in accordance with the Conditions;

“**Relevant Courts**” means, in respect of a Security, an IPED Agreement or an Undertaking, the courts which have jurisdiction to settle disputes in relation to or arising out of (i) such Security (ii) such IPED Agreement or (iii) such Undertaking, as the case may be (including any non-contractual obligations arising out of, or in connection with, such Security, IPED Agreement or Undertaking);

“**Relevant Date**” means, in relation to the payment of any sum or delivery of assets expressed to be payable or deliverable by BNPP B.V. in respect of a Security, the date on which the payment or delivery in question first became due;

“**Securities**” means those notes, bonds, warrants, certificates and other securities which are listed in Part 1 of Schedule 1 to the Scheme; and

“**Undertaking**” means any undertaking given by or any agreement or obligation of BNPP B.V. made in, pursuant to or in connection with, the Scheme or the Deed of Irrevocable Offer.

2. **Guarantee**

Subject as provided below, BNPP unconditionally and irrevocably guarantees by way of deed poll to each Guaranteed Party that, if for any reason BNPP B.V. does not (i) pay any sum payable by it or perform any other obligation in respect of any Security, or any IPED Agreement, on the date specified for such payment or performance and/or (ii) comply with any of the Undertakings, then BNPP will, in accordance with the terms and conditions of such Security (the “**Conditions**”) or the terms of such IPED Agreement, the Scheme or the Deed of Irrevocable Offer (as the case may be), pay that sum in the currency in which such payment is due in immediately available funds forthwith upon demand or, as the case may be, perform or procure the performance of the relevant obligation that BNPP B.V. has failed to perform on the due date for such performance forthwith upon demand, subject to Clause 12.

If for any reason BNPP B.V. does not satisfy such obligations when the same become due, BNPP hereby undertakes to make, or cause to be made, such payment or satisfy or cause to be satisfied such obligations as though BNPP were the principal obligor in respect of such obligation after a demand has been made on BNPP pursuant to Clause 12 hereof PROVIDED THAT in the case of Securities where the obligations of BNPP B.V. which fall to be satisfied by BNPP constitute the delivery of the Entitlement to the Holders, BNPP will as soon as possible deliver or procure delivery of such Entitlement using the method of delivery specified in the applicable Conditions.

3. **Taxation**

BNPP covenants in favour of each Guaranteed Party that if, in respect of any payment to be made under this Guarantee, any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature is payable, BNPP shall, to the fullest extent permitted by law, pay

such additional amount as may be necessary, in order that each Guaranteed Party, after deduction or withholding of such taxes, duties, assessments or governmental charges, will receive the full amount then due and payable.

4. BNPP as Principal Obligor

As between BNPP and each Guaranteed Party but without affecting BNPP B.V.'s obligations, BNPP will be liable under this Guarantee as if it were the sole principal obligor and not merely a surety. Accordingly, it will not be discharged, nor will its liability be affected, by anything which would not discharge it or affect its liability, if it were the sole principal obligor (including (1) any time, indulgence, waiver or consent at any time given to BNPP B.V. or any other person, (2) any amendment to any of the Conditions, the Scheme, the IPED Agreements or the Deed of Irrevocable Offer or to any security or other guarantee or indemnity, (3) the making or absence of any demand on BNPP B.V. or any other person for payment or performance of any other obligation in respect of any Security or an IPED Agreement, the Scheme or the Deed of Irrevocable Offer, (4) the enforcement, or absence of enforcement, of any Security or an IPED Agreement, the Scheme or the Deed of Irrevocable Offer or of any security or other guarantee or indemnity, (5) the taking, existence or release of any such security, guarantee or indemnity, (6) the dissolution, amalgamation, reconstruction or reorganisation of BNPP B.V. or any other person, or (7) the illegality, invalidity or unenforceability of, or any defect in, any provision of the applicable Conditions, any IPED Agreement, the Scheme, the Deed of Irrevocable Offer, or any of BNPP B.V.'s obligations under any of them). BNPP will not raise any objections or defence against a request for payment by the Holders which may otherwise be available to BNPP B.V. under the documents giving rise to the relevant obligations of BNPP B.V. (except that BNPP may raise the defence of fraud on the part of any Holder).

5. BNPP's Obligations Continuing

BNPP's obligations under this Guarantee are and will remain in full force and effect by way of continuing security until no sum remains payable and no other obligation remains to be performed under any Security (in the case where the relevant Security is a warrant, subject to its exercise) or an IPED Agreement, the Scheme or the Deed of Irrevocable Offer. Furthermore, those obligations of BNPP are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from BNPP or otherwise and may be enforced without first having recourse to BNPP B.V., any other person, any security or any other guarantee or indemnity.

6. Status

This Guarantee shall constitute direct, unconditional, irrevocable, unsubordinated and unsecured obligations of BNPP and ranks *pari passu* (subject to mandatorily preferred debts under applicable laws), equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations of BNPP.

7. Exercise of BNPP's rights

So long as any sum remains payable under the Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V. or to take the benefit of or enforce any security or other guarantee or indemnity.

8. Discharge by BNPP B.V.

If any payment received by, or other obligation discharged to or to the order of, any Guaranteed Party is, on the subsequent bankruptcy or insolvency of BNPP B.V., avoided under any laws relating to bankruptcy or insolvency, such payment or obligation will not be considered as having discharged or diminished the liability of BNPP and this Guarantee will continue to apply as if such payment or obligation had at all times remained owing by BNPP B.V..

9. Avoidance of Payments

BNPP shall on demand indemnify each Guaranteed Party, on an after tax basis, against any loss sustained or actual cost, expense or liability reasonably and properly incurred by it as a result of it being required for any reason (including any bankruptcy, insolvency, winding-up, dissolution, or similar law of any jurisdiction) to refund or return all or part of any amount or other asset received or recovered by it in respect of any sum payable or other obligation performable by BNPP B.V. and shall in any event pay or deliver to it on demand the amount or other asset as refunded or returned by it.

10. Indemnity

As a separate and alternative stipulation, BNPP unconditionally and irrevocably agrees (1) that any sum or obligation which, although expressed to be payable or performable under a Security or an IPED Agreement or any Undertaking, is for any reason (whether or not now existing and whether or not now known or becoming known to BNPP B.V., BNPP or any Guaranteed Party) not recoverable from BNPP on the basis of a guarantee will nevertheless be recoverable from it as if it were the sole principal obligor and will be paid or performed by it in favour of the Guaranteed Party on demand and (2) as a primary obligation to indemnify each Guaranteed Party against any loss suffered by it as a result of any sum or obligation expressed to be payable or performable under any Security, any IPED Agreement or any Undertaking, not being paid or performed by the time, on the date and otherwise in the manner specified in the Security, the IPED Agreement, the Scheme or the Deed of Irrevocable Offer, as the case may be, or any obligation of BNPP B.V. under any Security or IPED Agreement or any Undertaking being or becoming void, voidable or unenforceable for any reason (whether or not now existing and whether or not known or becoming known to BNPP B.V., BNPP or any Guaranteed Party), in the case of a payment obligation the amount of that loss being the amount expressed to be payable by BNPP B.V. in respect of the relevant sum, PROVIDED THAT the proviso to Clause 2 of this Guarantee shall apply mutatis mutandis to this Clause 10.

11. Deposit of Guarantee

This Guarantee shall be deposited with, and be held by, BNP Paribas Securities Services, Luxembourg for the benefit of the Guaranteed Parties.

12. Demand on BNPP

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 3 rue Taitbout, 75009 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

13. Bail-in

Any reference in this Guarantee to any obligation or sums or amounts payable under or in respect of the Securities by BNPP B.V. shall be construed to refer to (if applicable):

- (a) (in the event of a bail-in of BNPP B.V.), such obligations, sums and/or amounts as reduced or otherwise modified from time to time resulting from the application of a bail-in of BNPP B.V. by any relevant authority; or
- (b) (in the event of a bail-in of BNPP), such obligations, sums and/or amounts as reduced by reference to, and in the same proportion as, any such reduction or modification applied to securities issued by BNPP following the application of a bail-in of BNPP by any relevant authority.

14. Governing law

This Guarantee and any non-contractual obligations arising out of or in connection herewith shall be governed by, and construed in accordance with, English law.

15. Jurisdiction

The Relevant Courts shall have jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith and BNPP submits to the jurisdiction of the Relevant Courts. BNPP waives any objection to the Relevant Courts on the grounds that they are an inconvenient or inappropriate forum to settle any dispute.

16. Service of Process

BNPP agrees that service of process in England may be made on it at its London branch. Nothing in this Guarantee shall affect the right to serve process in any other manner permitted by law.

17. Contracts (Rights of Third Parties) Act 1999

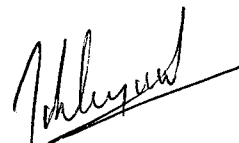
No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Guarantee, but this does not affect any right or remedy of any person which exists or is available apart from that Act.


18. Amendment

BNPP may not amend, vary, terminate or suspend this Guarantee or its obligations under it, save that nothing in this Clause 18 shall prevent BNPP from (i) increasing or extending its respective obligations under this Guarantee by way of supplement to it at any time or (ii) amending this Guarantee to correct a manifest error.

Executed as a Deed


By **BNP PARIBAS S.A.**
acting by
acting under the authority
of that company

) 
)
) **JEREMY ROYCROFT**
) **AUTHORISED SIGNATORY**


DAVID REYNOLDS
AUTHORISED SIGNATORY

Execution location: LONDON

IN WITNESS whereof this Guarantee has been executed and delivered by BNP Paribas S.A. as a deed on the date first above-mentioned.

Witness's signature: 

Name: **BEN DUCK**

Address: **FLAT 28 FAIRWEATHER HOUSE**
LONDON N7 0NS