

OFFERING CIRCULAR



ICAP plc

(incorporated with limited liability in England and Wales under registered number 3611426)

as an Issuer

and

ICAP Group Holdings plc

(incorporated with limited liability in England and Wales under registered number 6694512)

as an Issuer and, in respect of Senior Notes issued by ICAP plc, as guarantor

£1,000,000,000

Global Medium Term Note Programme

On 16 June 2008, ICAP plc (**ICAP**) entered into a £1,000,000,000 Global Medium Term Note Programme (the **Programme**). This Offering Circular supersedes any previous offering circular relating to the Programme.

Under the Programme, each of ICAP and ICAP Group Holdings plc (**IGHP**) (each of ICAP and IGHP an **Issuer** and references herein to the **relevant Issuer** shall, in relation to any issue of Notes, be construed to mean whichever of ICAP or IGHP is the Issuer of such Notes, as specified in the applicable Final Terms (as defined below)) 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).

Notes to be issued under the Programme may comprise either unsubordinated Notes (**Senior Notes**) or dated subordinated Notes (**Dated Subordinated Notes**), as specified in the applicable Final Terms.

The payment of all amounts owing in respect of Senior Notes issued by ICAP will be unconditionally and irrevocably guaranteed by IGHP.

Notes may be issued in bearer or registered form (respectively **Bearer Notes** and **Registered Notes**). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed £1,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued to one or more of the Dealers specified under "*Summary of the Programme*" and any additional Dealer appointed under the Programme from time to time by ICAP and IGHP (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular 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 such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of some of these risks see "Risk Factors".

Applications have been made (i) to the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 (the **UK Listing Authority**) for Notes issued under the Programme during the period of 12 months from the date of this Offering Circular to be admitted to the official list of the UK Listing Authority (the **Official List**) and (ii) to the London Stock Exchange plc (the **London Stock Exchange**) for such Notes to be admitted to trading on the London Stock Exchange's regulated market.

References in this Offering Circular to Notes being **listed** (and all related references) shall mean that such Notes have been admitted to trading on the London Stock Exchange's regulated market and have been admitted to the Official List. The London Stock Exchange's regulated market is a regulated market for the purposes of Directive 2004/39/EC.

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 document (the **Final Terms**) which, with respect to Notes to be listed on the London Stock Exchange, will be delivered to the UK Listing Authority and the London Stock Exchange.

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 the relevant Issuer and the relevant Dealer. Each Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market. The Notes and (if applicable) the Guarantee (as defined herein) have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the **Securities Act**) or with any securities regulatory authority of any state or other jurisdiction of the United States. Notes may not be offered, sold or delivered in the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S of the Securities Act, **U.S. persons**), unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. See "*Form of the Notes*" for a description of the manner in which Notes will be issued. Registered Notes are subject to certain restrictions on transfer, see "*Subscription and Sale and Transfer and Selling Restrictions*" and "*Terms and Conditions of the Notes – Transfer of Registered Notes*".

Each Issuer may agree with any Dealer and the Trustee (as defined herein) that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a new Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

Any person (an **Investor**) intending to acquire or acquiring any securities from any person (an **Offeror**) should be aware that, in the context of an offer to the public as defined in section 102B of the Financial Services and Markets Act 2000 (**FSMA**), the relevant Issuer and IGHP as Guarantor (if applicable) may be responsible to the Investor for this Offering Circular under section 90 of FSMA, only if the relevant Issuer and IGHP as Guarantor (if applicable) have authorised that Offeror to make the offer to the Investor. Each Investor should therefore enquire whether the Offeror is so authorised by the relevant Issuer and IGHP as Guarantor (if applicable). If the Offeror is not so authorised, the Investor should check with the Offeror whether anyone is responsible for this Offering Circular for the purposes of section 90 of FSMA in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Offering Circular and/or who is responsible for its contents it should take legal advice.

Each of ICAP and IGHP has been rated BBB+ by Fitch Ratings Ltd. (**Fitch**) and Baa2 by Moody's Investors Service Ltd. (**Moody's**). Each of Fitch and Moody's is established in the European Union and is registered under Regulation (EU) No. 1060/2009 (as amended) (the **CRA Regulation**). A Series of Notes issued under the Programme may also be rated or unrated. Where a Series of Notes is rated, such rating will be specified in the applicable Final Terms, and will not necessarily be the same as the rating assigned to ICAP and/or IGHP. A security 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.

Arranger

The Royal Bank of Scotland

Dealers

BofA Merrill Lynch
Commerzbank Corporates & Markets
J.P. Morgan Cazenove

Citigroup
HSBC
Lloyds Bank

The Royal Bank of Scotland

The date of this Offering Circular is 26 June 2012.

This Offering Circular comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the *Prospectus Directive*).

Each of ICAP and IGHP (each an *Obligor* and together the *Obligors*) accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge of the Obligors (having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Offering Circular in connection with an offer of Notes are the relevant Issuer, IGHP as Guarantor (if applicable), the persons named in the applicable Final Terms as the relevant Dealers or Managers and the persons (if any) named in or identifiable following the applicable Final Terms as the Financial Intermediaries, as the case may be.

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES FROM AN OFFEROR WILL DO SO, AND OFFERS AND SALES OF THE NOTES TO AN INVESTOR BY AN OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE RELEVANT ISSUER AND IGHP AS GUARANTOR (IF APPLICABLE) WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH INVESTORS (OTHER THAN THE RELEVANT DEALERS, MANAGERS AND/OR FINANCIAL INTERMEDIARIES, AS APPLICABLE) IN CONNECTION WITH THE OFFER OR SALE OF THE NOTES AND, ACCORDINGLY, THIS OFFERING CIRCULAR AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION. THE RELEVANT ISSUER AND IGHP AS GUARANTOR (IF APPLICABLE) HAVE NO RESPONSIBILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

Copies of Final Terms will be available from the registered office of each of the Obligors and the specified office set out below of each of the Paying Agents (as defined below).

Certain information under the heading “*Book-entry Clearance Systems*” has been extracted from information provided by the clearing systems referred to therein. Each Obligor confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the relevant clearing systems, no facts have been omitted which would render the reproduced information inaccurate or misleading.

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

Neither the Dealers nor the Trustee have 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 Offering Circular or any other information provided by either Obligor in connection with the Programme. No Dealer or the Trustee accepts any liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by either Obligor in connection with the Programme.

No person is or has been authorised by the Obligors or the Trustee to give any information or to make any representation not contained in or not consistent with this Offering Circular 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 the Obligors, any of the Dealers or the Trustee.

Neither this Offering Circular 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 either Obligor, any of the Dealers or the Trustee that any recipient of this Offering Circular 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 Issuer and, in the case of Senior Notes issued by ICAP, IGHP. Neither this Offering Circular 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 either Obligor, any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Obligors 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 and the Trustee expressly do not undertake to review the financial condition or affairs of the Obligors during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

The Notes in bearer form 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 United States persons, 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 and the regulations promulgated thereunder.

This Offering Circular 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 Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Obligors, the Dealers and the Trustee do not represent that this Offering Circular 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, unless expressly provided in the applicable Final Terms, no action has been taken by the Obligors, the Dealers or the Trustee which is intended to permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular 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 Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom) and Japan, see “*Subscription and Sale and Transfer and Selling Restrictions*”.

This Offering Circular has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a *Relevant Member State*) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Offering Circular, as completed by the Final Terms in relation to the offer of those Notes, may only do so (i) in circumstances in which no obligation arises for the relevant Issuer, IGHP as Guarantor (if applicable) 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, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State, such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of such offer. Except to the extent sub-paragraph (ii) above may apply, none of the Obligors and any Dealer has authorised, nor does any of them authorise, the making of any offer of Notes in circumstances in which an obligation arises for the relevant Issuer, IGHP as Guarantor (if applicable) or any Dealer to publish or supplement a prospectus for such offer.

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 (i) 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 Offering Circular or any applicable supplement; (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio; (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the 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; (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. 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.

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

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE RELEVANT ISSUER AND, IN THE CASE OF SENIOR NOTES ISSUED BY ICAP, IGHP AND THE TERMS OF THE NOTES BEING OFFERED, INCLUDING THE MERITS AND RISKS INVOLVED. THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY OTHER SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY IN THE UNITED STATES, NOR HAVE THE FOREGOING AUTHORITIES APPROVED THIS OFFERING CIRCULAR OR CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THE INFORMATION CONTAINED IN THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

None of the Dealers, the Obligors and the Trustee makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes.

U.S. Information

This Offering Circular is being submitted on a confidential basis in the United States to a limited number of QIBs (as defined under “*Form of the Notes*”) for informational use solely in connection with the consideration of the purchase of the Notes being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

Registered Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act in reliance on Rule 144A under the Securities Act (*Rule 144A*) or any other applicable exemption. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes (including the Guarantee) to it may be being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A. Prospective purchasers are hereby notified that sellers of the Notes (including the Guarantee) may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Each purchaser or holder of Notes represented by a Rule 144A Global Note or any Notes issued in registered form in exchange or substitution therefor (together *Legended Notes*) will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in “*Subscription and Sale and Transfer and Selling Restrictions*” and “*Terms and Conditions of the Notes – Transfer of Registered Notes*”. Unless otherwise stated, terms used in this paragraph have the meanings given to them in “*Form of the Notes*”.

Notice to New Hampshire Residents

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

Available Information

To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are “restricted securities” (as defined in Rule 144A) within the meaning of the Securities Act, each of the Obligor has undertaken in the Trust Deed (as defined herein) to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by him, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the relevant Issuer or, in the case of Senior Notes issued by ICAP, IGHP is neither a reporting company subject to Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, (the *Exchange Act*) nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

Service of Process and Enforcement of Civil Liabilities

Each Obligor is a corporation organised under the laws of England and Wales. All of the officers and directors named herein reside outside the United States and all or a substantial portion of the assets of the Obligors and of such officers and directors are located outside the United States. As a result, it may not be possible for investors to effect service of process outside England and Wales upon the Obligors or such persons, or to enforce judgments against them obtained in courts outside England and Wales predicated upon civil liabilities of the Obligors or such directors and officers under laws other than English law, including any judgment predicated upon United States federal securities laws. The Obligors have been advised by Clifford Chance LLP, their counsel, that there is doubt as to the enforceability in England and Wales in original actions or in actions for enforcement of judgments of United States courts of civil liabilities predicated solely upon the federal securities laws of the United States.

Definitions and interpretation

All references in this document to *U.S. dollars*, *U.S.\$* and *\$* refer to United States dollars, to *Sterling* and *£* refer to pounds sterling, 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 on the Functioning of the European Union, as amended and all references to *Yen* refer to Japanese Yen. All references in this document to the *Group* are to ICAP and its consolidated subsidiaries.

Stabilisation

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.

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Summary of the Programme

This summary must be read as an introduction to this Offering Circular and any decision to invest in any Notes should be based on a consideration of this Offering Circular as a whole, including any documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area, no civil liability will attach to the Obligors in any such Member State in respect of this Summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Offering Circular. Where a claim relating to information contained in this Offering Circular is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Offering Circular before the legal proceedings are initiated.

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:

ICAP plc and ICAP Group Holdings plc

ICAP plc, through its subsidiaries, including ICAP Group Holdings plc (**IGHP**) (together the **Group**), provides intermediary broking services to the global wholesale financial markets where it acts as an interdealer broker (**IDB**), essentially matching buyers and sellers in the global financial markets, and provides a source of global market information and financial markets commentary. The Group intermediates an average daily transaction volume of \$1.4 trillion on behalf of its customers. The Group's businesses are broadly distributed across more than 50 countries worldwide and it employs in excess of 5,100 staff.

Guarantor of Senior Notes issued by ICAP plc:

ICAP Group Holdings plc

In order to mitigate any structural subordination issues arising from the novation of ICAP's obligations to IGHP, IGHP has, pursuant to a Trust Deed dated 16 June 2008 made between ICAP and BNY Corporate Trustee Services Limited (as modified and/or supplemented and/or restated from time to time), given a guarantee of Senior Notes issued by ICAP. The Guarantee will rank equally with present and future unsecured and unsubordinated indebtedness of IGHP.

Risk Factors:

There are certain factors that may affect the relevant Issuer's ability to fulfil its obligations under Notes issued under the Programme and, in the case of Senior Notes issued by ICAP, IGHP's ability to fulfil its obligations under the Guarantee. These include:

- The fact that the market for the services provided by the Group is highly competitive and competition could intensify in the future.
- The Group operates in a regulated environment that imposes costs and significant compliance requirements.
- Inter-dealer broking and the resultant settlement

process exposes the Group to risks to its liquidity and profitability.

- Customers and counterparties that owe the Group money, securities or other assets may default on their obligations to the Group.
- Systems or facilities failure, capacity constraints or external factors (including power outages or terrorist action) could limit the Group's ability to conduct its operations.
- The regulatory environment in which the Group operates is subject to change which could redefine some aspects of interdealer broking, affect the business methodology of the Group and/or make it more onerous for the Group to comply with the obligations to which it is subject.
- The Group may be adversely affected if its reputation is harmed, including as a result of perceived or actual failures in operational and/or financial controls.
- Changes in domestic and international market factors that reduce activity levels could significantly harm the Group.

In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These include:

Risks relating to the structure of a particular issuance of Notes, risks relating to the EU and US tax treatment of the Notes, risks relating to the clearing and settlement of the Notes through one or more clearing systems, and risks relating to subsequent changes in interest rates and exchange rates and their potential impact on the value of the Notes.

Arranger:

The Royal Bank of Scotland plc
Citigroup Global Markets Limited
Commerzbank Aktiengesellschaft
HSBC Bank plc
J.P. Morgan Securities Ltd.
Lloyds TSB Bank plc
Merrill Lynch International
The Royal Bank of Scotland plc

Dealers:

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.

Notes having a maturity of less than one year

Notes having a maturity of less than one year will, if

	<p>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.</p>
Issuing and Principal Paying Agent:	<p>The Bank of New York Mellon acting through its London branch</p>
Registrar:	<p>The Bank of New York Mellon acting through its New York branch</p>
Trustee:	<p>BNY Corporate Trustee Services Limited</p>
Programme Size:	<p>Up to £1,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time.</p>
Distribution:	<p>Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.</p>
Form of Notes:	<p>The Notes will be issued in bearer or registered form as set out in the applicable Final Terms. Registered Notes will not be exchangeable for Bearer Notes and <i>vice versa</i>.</p> <p>If so specified in the applicable Final Terms, investors may also hold interests in the Notes through CREST through the issuance of dematerialised depositary interests (CDIs), issued, held, settled and transferred through CREST, representing interests in the relevant Notes underlying the CDIs. CDIs are independent securities constituted under English law and transferred through CREST and will be issued by CREST Depository Limited pursuant to the global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated).</p> <p>Neither the Notes nor any rights attached thereto will be issued, held, transferred or settled within the CREST system other than through the issue, holding, transfer and settlement of CDIs. Holders of CDIs will not be entitled to deal directly in the Notes and, accordingly, all dealings in the Notes will be effected through CREST in relation to the holding of CDIs.</p>
Issue Price:	<p>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.</p>
Currencies:	<p>Notes may be denominated in any agreed currency and with any agreed maturity, subject to any applicable legal or regulatory restrictions and any requirements of the relevant central bank (or equivalent body).</p>
Terms of the Notes:	<p>The terms of the Notes will be specified in the applicable Final Terms. The following types of Note may be issued: (i) Notes which bear interest at a fixed rate or a floating rate; (ii) Notes which do not bear interest; and (iii) Notes which bear interest, and/or the redemption amount of which is, calculated by</p>

reference to a specified factor such as movements in an index or a currency exchange rate, changes in share or commodity prices or changes in the credit of an underlying entity. In addition, Notes which have any combination of the foregoing features may also be issued.

Redemption:

Interest periods, rates of interest and the terms of and/or amounts payable on redemption may differ depending on the Notes being issued and such terms will be specified in the applicable Final Terms.

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 either (i) the relevant Issuer or (ii) the Noteholders if either or both of Investor Put and/or Change of Control Put is/are specified as applicable in the applicable Final Terms. The terms of any such redemption, including notice periods, any relevant conditions to be satisfied and the relevant redemption dates and prices will be indicated in the applicable Final Terms.

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.

Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution.

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 amount 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 €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Redenomination:

The applicable Final Terms may provide that certain Notes may be redenominated in euro.

Maturities:

The Notes will have 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. Under current requirements, in the case of Dated Subordinated

	<p>Notes which qualify as Lower Tier 2 capital in accordance with the requirements of the Financial Services Authority, the minimum maturity will be five years. Any minimum or maximum maturities may be subject to increase or decrease from time to time as a result of changes in applicable legal or regulatory requirements.</p>
Taxation:	<p>All payments in respect of the Notes and the Guarantee (if applicable) will be made without deduction for or on account of withholding taxes imposed by the United Kingdom as provided in Condition 8. In the event that any such deduction is made, the relevant Issuer or IGHP as Guarantor (if applicable) will, save in certain limited circumstances provided in Condition 8, be required to pay additional amounts to cover the amounts so deducted.</p>
Negative Pledge:	<p>The terms of the Senior Notes will contain certain restrictions on the granting of security, as further described in Condition 4(a). Dated Subordinated Notes will contain no such provision.</p>
Status of IGHP within the Group:	<p>For so long as IGHP has obligations as Guarantor under the Guarantee and under the Trust Deed and/or is an Issuer of any outstanding Senior Notes, the terms of the Senior Notes will contain a covenant relating to IGHP's status within the Group, as further described in Condition 4(b). Dated Subordinated Notes will contain no such provisions.</p>
Cross Default:	<p>The terms of the Senior Notes will contain a cross default provision as further described in Condition 10. Dated Subordinated Notes will contain no such provision.</p>
Status of the Senior Notes:	<p>The Senior Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the relevant Issuer and will rank <i>pari passu</i> among themselves 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 relevant Issuer, from time to time outstanding.</p>
Status of the Dated Subordinated Notes:	<p>The Dated Subordinated Notes will constitute direct and unsecured obligations of the relevant Issuer. The claims of the Trustee and the rights of the holders of the Dated Subordinated Notes will, in the event of the winding up of the relevant Issuer, be subordinated in right of payment to the claims of all unsubordinated creditors of the relevant Issuer and any amounts paid to the Trustee will be held on trust for distribution in satisfaction of the claims of unsubordinated creditors to the extent (if any) not fully paid and thereafter in or towards payment of the amounts due under the Dated Subordinated Notes and the relative Receipts and Coupons.</p>
Guarantee:	<p>Senior Notes issued by ICAP will be unconditionally and irrevocably guaranteed by IGHP. The obligations of IGHP under its guarantee in respect of such Notes (the Guarantee) will constitute direct, unconditional,</p>

unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of IGHP and will rank (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of IGHP from time to time outstanding.

IGHP may be released from its obligations under the Guarantee in the circumstances described in Condition 3(c).

Use of Proceeds:

The net proceeds from each issue of Notes will be applied by the relevant Issuer for its general corporate purposes. 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.

Rating:

Each of ICAP and IGHP has been rated BBB+ by Fitch Ratings Ltd. (**Fitch**) and Baa2 by Moody's Investors Service Ltd. (**Moody's**). Each of Fitch and Moody's is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). A Series of Notes issued under the Programme may also be rated or unrated. Where a Series of Notes is rated, such rating will be specified in the applicable Final Terms, and will not necessarily be the same as the rating assigned to ICAP and/or IGHP.

A security 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.

Listing and admission to trading:

Application has been made to the UK Listing Authority for Notes issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange's regulated market.

Notes may be admitted to trading on the electronic order book for retail bonds on the London Stock Exchange's regulated market.

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:

The Notes and the Trust Deed and any non-contractual obligations arising out of or in connection with the Notes or the Trust Deed, will be governed by, and shall be construed in accordance with,

	English law.
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) and Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes.
United States Selling Restrictions:	Regulation S, Category 2. Rule 144A, TEFRA C or D, as specified in the applicable Final Terms.

Risk Factors

The Obligors believe that the following factors may affect their ability to fulfil their obligations under Notes issued under the Programme and, in the case of Senior Notes issued by ICAP, IGHP's ability to fulfil its obligations under the Guarantee. 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.

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 may occur for other reasons which may not be considered significant risks by the Obligors based on information currently available to them or which they may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.

Factors that may affect the relevant Issuer's ability to fulfil its obligations under Notes issued under the Programme and, in the case of Senior Notes issued by ICAP, IGHP's ability to fulfil its obligations as Guarantor

Risks relating to the Obligors

The Obligors are holding companies and their financial performance is dependent, in part, upon other members of the Group.

ICAP is the ultimate holding company of the Group. ICAP's financial condition depends upon the results of its financing and investment activities (principally through the issuance of listed equity securities), as well as upon the receipt of funds provided by other members of the Group. The ability of ICAP to meet its obligations and make payments in respect of the Notes will depend, in part, upon receipt by it of funds provided by other members of the Group. No assurance can be given that ICAP will be successful in its financing and investment activities, or that it will receive adequate funding to maintain its financial condition. These factors could materially affect ICAP's ability to make payment on the Notes.

IGHP, which is fully owned¹ by ICAP, is the holding company of a number of the Group's significant operating companies, including ICAP Securities Limited, ICAP America Investments Limited, ICAP Holdings (Asia Pacific) Limited, ICAP Holdings Limited and their respective subsidiaries (together the IGHP Subsidiaries) see "Description of the Obligors – Group Structure" on page 90. IGHP is also the borrower under the Group's principal credit facilities. IGHP's financial condition depends upon the results of its financing and investment activities, as well as upon receipt of funds provided by the IGHP Subsidiaries. The ability of IGHP to meet its obligations and make payments in respect of the Notes will depend, in part, upon the receipt by it of funds provided by the IGHP Subsidiaries. No assurance can be given that IGHP will be successful in its financing and investment activities, or that it will receive adequate funding to maintain its financial condition. These factors could materially affect IGHP's ability to make payment in respect of the Notes.

All the services provided by the Group are highly competitive and competition could intensify in the future

The Group has numerous current and prospective competitors, both domestic and international. Some of its competitors and potential competitors may have greater financial, marketing, technology and personnel resources than the Group has, or be able to offer services that are disruptive to current market structures and assumptions. These resources may enable them to, among other things:

- develop services similar to the Group or new services that are preferred by the Group's customers;
- provide access to trading in products or a range of products that the Group does not offer;
- provide better execution and lower transaction costs;
- provide new services more quickly and efficiently than the Group can;
- offer better, faster and more reliable technology;

¹ A single £1 ordinary share of IGHP is owned by Intercapital Limited, with the remaining 233,478,000 shares owned by ICAP plc

- take greater advantage of new or existing acquisitions, alliances and other opportunities;
- more effectively market, promote and sell their services;
- migrate products more quickly or effectively to electronic platforms which could move trading activity from the Group;
- better leverage their relationships with their customers, including new classes of customer; and
- offer better contractual terms to customers.

In addition, new or existing competitors could gain access to markets or products in which the Group currently enjoys a competitive advantage. Competitors may have a greater ability to offer novel services, or existing services to more diverse customers due to the very absence of pre-existing customer relationships. Even if new or existing competitors do not significantly erode the Group's market share, they may offer their services at lower prices, and the Group may then be required to reduce its commissions to remain competitive, which could have a material adverse effect on its profitability. Similarly any failure by the Group to attract and maintain sufficiently qualified and capable staff and management personnel could be substantially detrimental to the Group's ability to compete. If the Group fails to compete effectively for any reason, its financial condition and operating results could be materially affected.

A further consideration is that consolidation among the Group's customers in key areas of the Group's businesses may cause revenue, or key components of revenue, to be dependent on a smaller number of customers and may result in additional pricing pressure. While no single customer accounted for a material part of the Group's total revenue for the year ended 31 March 2012, if its existing customers consolidate and new customers do not generate offsetting volumes of transactions, then its revenues may become concentrated on a smaller number of customers. In that event, the Group's revenues may be dependent on its relationships with those customers to a material extent.

The Group operates in a regulated environment that imposes costs and significant compliance requirements, which are themselves in the process of change and may increase the cost and complexity of doing business. The failure to comply with the regulations could subject the Group to sanctions, force it to cease providing certain services and/or oblige it to change the scope or nature of its operations

The Group is supervised by the Financial Services Authority (the **FSA**) and is required to meet the systems and controls requirements of the EU's Capital Requirements Directive (the **CRD**). The FSA adopts a risk-based approach to supervision and does this in various ways including the review of prudential returns, visits to the Group and meetings with senior management. The FSA is expected to undergo a reorganisation which will result in the division of the FSA into two distinct entities, the Prudential Regulatory Authority and the Financial Conduct Authority. ICAP expects to be regulated by the Financial Conduct Authority, and will be subject to new rules applicable to that oversight in due course.

In the US, the Group's activities are primarily regulated by, amongst others, the Financial Industry Regulatory Authority and the Securities and Exchange Commission. The Group's operations in other countries are subject to relevant local regulatory requirements. Adherence to these regulations is monitored, where applicable, via the group head of compliance, who reports regularly to the Audit and Risk Committee and the board of directors of ICAP (the **Board**). Once the Dodd-Frank Act is implemented, certain activities of the Group relating to OTC derivatives will be regulated by the U.S. Commodity Futures Trading Commission.

Regulatory obligations require a commitment of resources. The Group's ability to comply with applicable laws, rules and regulations is largely dependent on its establishment and maintenance of compliance, control and reporting systems, as well as its ability to attract and retain qualified compliance and other risk management personnel. If it fails to maintain such compliance and reporting systems or fails to attract and retain personnel who are capable of designing and operating such systems, this will increase the likelihood that the Group may breach applicable laws and regulations exposing it to the risk of civil litigation and investigations by regulatory agencies, such as the FSA. Similarly, any failure of commercial management to understand and act upon applicable laws and regulations would present a similar risk.

From time to time the Group is subject to enquiries and investigations by regulatory agencies, particularly in the US. Where appropriate these matters are disclosed in the Group's financial statements. These regulatory agencies have broad powers to investigate and enforce compliance and punish non-compliance with applicable rules and regulations and any claims or actions by these agencies could adversely affect the Group.

The requirements imposed by the regulators are designed to ensure the integrity of the financial markets and to protect customers and other third parties who deal with the Group and are not designed to protect the Group's

shareholders or investors. Consequently, these regulations can serve to limit the Group's flexibility regarding capital structure. Customer protection and market conduct requirements may also impinge on the scope of the Group's activities.

The Group currently benefits from an investment firm consolidation waiver, renewable in April 2016, which allows it a derogation from the requirement to comply with the full scope of the FSA's capital requirements under the CRD, removing the requirement for the Group to fund the goodwill element of acquisitions with Tier 1 Capital; any failure of the Group to comply with the conditions of such waiver, or to renew the waiver in due course, could require the Group to raise further significant share capital.

The Group is international in nature with a large proportion of its profits and revenues generated from traditional markets located outside of the United Kingdom (notably the United States of America) and the provision of non-broking or other unregulated services. As the Group continues to grow, the volume of revenues derived from activities other than the regulated business in the United Kingdom is expected to continue to increase. Therefore capital restrictions imposed on the Group under the CRD, which require it to operate brokerage activities in international markets on the same basis as it operates in the United Kingdom (irrespective of local requirements) could limit the Group's ability to complete further acquisitions or engage in new types of business.

In addition, as the Group expands parts of its business to provide services to a wider range of non-bank customers, such as professional investors and even retail investors (in the form of the home broker business operated in Brazil) and to emerging countries, the regulatory burden and risk of infringement increases.

Finally, the Group holds client money which imposes additional regulatory obligations. Misuse of this money could lead the Group to being subject to fines or sanctions from the regulators.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that (i) the relevant Issuer will be unable to comply with its obligations as a company with securities admitted to the Official List or (ii) any member of the Group (which is as a supervised firm regulated by the FSA) will be unable to comply with its obligations as a supervised firm regulated by the FSA.

The regulatory environment in which the Group operates is subject to change which could redefine some aspects of interdealer broking, affect the business methodology of the Group and/or make it more onerous for the Group to comply with the obligations to which it is subject

New financial regulations may potentially redefine some aspects of interdealer broking and create new types of competition between interdealer brokers and other market intermediaries for execution business. In the US, the Dodd-Frank Act requires certain classes of derivatives to be on designated contract markets or Swap Execution Facilities (SEF). In Europe, there are similar proposals in the Markets in Financial Instruments Directive II (MiFID II) that will mean certain standardised derivatives will be traded on exchanges and organised trading facilities' multilateral trading facilities (MTF's) and that providers of MTFs will be subject to a greater degree of regulatory compliance and oversight. The Group already operates ten MTF's in Europe and is preparing to operate a SEF in the US once the rules are finalised. The Group also engages heavily with the clearing agents on behalf of itself and its customers. The precise scope and impact of these proposals on market operating models are yet to be defined.

Any inability of the Group to timely adapt or deliver services that are compliant with the new regulations could significantly reduce the earnings and profitability of the Group. Even if successful in adapting its services to new regulations, the costs of making those adaptations or otherwise complying with those regulations may also increase the cost base of the Group. Changing regulation may also impact the Group's customers, and in conjunction with increased capital requirements under the Basel III Accord and the CRD may cause a reduction in overall trading activity or increased costs in certain markets. This may in turn reduce the earnings of the Group in both its execution and post-trade businesses.

Furthermore, any change to the applicability or requirements of the investment firm consolidation waiver which allows the Group a derogation from the requirement to comply with the full scope of the FSA's capital requirements under the CRD could also require the Group to raise further significant share capital.

Since the market disruption following the collapse of Lehman Brothers in 2008, regulators worldwide have adopted an increased level of scrutiny in supervising the financial markets. Although much of this has been aimed at banks, it is with this background that the Group anticipates a general increase in both the burden of regulation and the activism of regulators. The risk that the current environment therefore presents to the Group is one in which:

- (i) greater scrutiny over the whole industry, at a time when rules and regulatory approach are in flux, increases the likelihood and probable impact of regulatory enquiries and the potential for fines or censure; and

- (ii) there is a possibility that it will become mandatory for the execution and settlement of further OTC transactions to be carried out on regulated exchanges.

Inter-dealer broking and the resultant settlement process exposes the Group to risks that may have an impact on its liquidity and profitability

The Group primarily brokers transactions in three different ways: as a matched principal, as an executing broker in respect of exchange traded instruments, and by name give-up.

In matched principal transactions, the Group acts as an intermediary by serving as counterparty for identified buyers and sellers in matching, in whole or in part, reciprocal back-to-back trades. In order to facilitate customer transactions and provide liquidity, however, the Group may participate in certain marketplaces by posting quotations. Sometimes the act of posting quotations may result in having the Group act as principal on unmatched trades. In such a situation, the Group's policy is to liquidate or hedge and liquidate these principal positions as soon as reasonably practicable. The Group is restricted from taking proprietary trading positions under the terms of the FSA investment firm consolidation waiver.

The Group operates the majority of its matched principal business on a delivery versus payment basis (**DVP**) whereby delivery of the traded instruments, i.e. the change in their ownership, occurs at the same time, and is dependent on payment. By acting on a DVP basis the Group limits credit risk. The DVP settlement process gives rise to an intra-day funding requirement and, on occasions where the second counterparty to a trade fails to settle the transaction on the same day as the first leg of the transaction, an overnight funding requirement. In addition the Group requires access to clearing and settlement providers and may need access to funding for payment of collateral, margin calls and other clearing charges. In the event that any of these providers are unable to provide continued clearing services or the firm is unable to obtain lines of credit to enable continued clearing and settlement, and the posting of margins, this would severely limit the Group's ability to conclude trades with its customers and in extreme cases could lead to significant trade failures.

Where the Group acts as an executing broker, in its own name or via a third party in relation to exchange traded products, it executes customer orders which are subsequently given up in line with market practice to the customer's account maintained by a clearing broker. In the event that the clearing broker fails to take up the position traded, this could leave the Group with a position which would then be liquidated in accordance with its policy.

Additionally the Group is exposed to the risk that one of the counterparties to a transaction may fail to fulfil its obligations, either because it is not matched immediately or, even if matched, because one party fails to deliver the cash or securities it is obligated to deliver. Adverse movements in the prices of securities that are the subject of these transactions can increase the risk. In addition, widespread technological or communications failures, as well as actual or perceived credit difficulties or the insolvency of one or more large or visible market participants, could cause market-wide credit difficulties or other market disruptions. These failures, difficulties or disruptions could result in a large number of market participants not settling transactions or otherwise not performing their obligations.

The Group is subject to financing risk in these circumstances because if a transaction does not settle on a timely basis, the resulting unmatched position may need to be funded, either directly by it or through one of its clearing organisations at the Group's expense. These charges may be recoverable from the defaulting counterparty, but sometimes are not. In instances where the unmatched failure to deliver is prolonged or widespread due to rapid or widespread declines in liquidity for an instrument, there may also be regulatory capital charges required to be taken by the Group which, depending on their size and duration, could limit the Group's flexibility to transact other business. Credit or settlement losses of this nature could adversely affect the Group's financial condition or results of operations.

The Group also provides brokerage services to its customers in the form of agency transactions (also known as "name give-up"). In name give-up transactions the Group connects buyers and sellers of securities and other instruments, and may assist in the negotiation of price and other material terms of the transaction. At the point at which the parties agree to the terms, the Group leaves the buyer and seller to clear and settle directly with one another through the appropriate market mechanisms. The Group aims to invoice its customers on a monthly basis, which exposes the Group to credit risk on the non-recovery of commission income. Any delay or backlog in the process of collecting debts also increases the risk of exposure to customers that owe commission.

Customers and counterparties that owe the Group money, securities or other assets may default on their obligations to the Group due to bankruptcy, lack of liquidity, operational failure or other reasons

Although the Group regularly reviews and limits its credit exposure to specific customers and counterparties to address credit concerns, default risk may arise from events or circumstances that are difficult to detect or

foresee. Concerns about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions, which in turn could adversely affect the Group. The Group may be adversely affected in the event of a significant default by its customers and counterparties.

The Group requires liquidity and access to settlement services

Ready access to cash is essential to the Group's business, including to support margin requirements imposed by clearing houses to which customer transactions are submitted and to support wider business development and operations. Its liquidity could be impaired by an inability to access lines of credit, an inability to access funds from its subsidiaries or an inability to close out customer positions or otherwise sell assets. This situation may arise due to circumstances outside the Group's control, such as a general market disruption or an operational problem that affects third parties or itself. Further, the Group's ability to liquidate customer positions or otherwise sell assets may be impaired if other market participants are seeking to sell similar assets at the same time.

Exchange rate fluctuations could negatively affect the Group's financial condition and results of operations

The Group is subject to risks of currency exchange rate fluctuations. The Group earns a substantial portion of its revenue in currencies other than the pound sterling, particularly the US dollar and euro. Fluctuations in currency exchange rates can affect, on a pound sterling equivalent basis, the amount of the Group's earnings and net asset value.

The Group's future success depends to a significant degree upon the continued contributions and retention of its key personnel

The Group's future success will depend greatly upon the expertise and continued services of certain key personnel. The Group believes that it takes reasonable steps, including in many cases, the use of fixed term services agreements with staggered renewal dates and non-compete provisions, to lessen the impact of departure of a team or a key member of personnel. Nevertheless, the Group's business, its results or operations and financial condition may be adversely affected by the departure of one or more key members of personnel.

The Group's future success depends upon the efforts of its qualified and highly trained personnel, and upon its ability to recruit, retain and motivate such personnel, particularly in light of the rapid pace of technological advances. The level of competition for such skilled individuals is intense. If the Group is not able to attract and retain highly skilled employees, or it incurs increased costs associated with attracting and retaining personnel, it could have a material adverse effect on its financial condition and operating results.

The Group may need to replace, upgrade and expand its computer and communications systems in response to technological developments

The Group needs to maintain the computer and communications systems and networks that it currently owns and operates both for network infrastructure and the electronic broking business. Any inability to maintain or replace these systems and networks adequately and without disruption could have a material effect on the performance and reliability of such systems and networks, which in turn could materially harm its business.

Further, the markets in which the Group competes are characterised by rapidly changing technology, evolving customer demand and uses of its services and the emergence of new industry standards and practices that could render its existing technology and systems obsolete. The Group's future success will depend in part on its ability to anticipate and adapt to technological advances, evolving customer demands and changing standards in a timely, cost-efficient and competitive manner and to upgrade and expand its systems accordingly. Any upgrades or expansions in technology and the use of technology may require significant expenditures of funds.

The Group may not have sufficient funds to update and expand its networks adequately, and any upgrade or expansion attempts may not be successful and accepted by the marketplace and its customers. Failure to update and expand its systems and networks adequately or to adapt its systems and technology to evolving customer demands or emerging industry standards would have a material effect on the Group. Specifically, development by the Group's competitors of new electronic trade execution or market information products that gain acceptance in the market could give those competitors a "first mover" advantage that may be difficult for the Group to overcome with its own technology.

Systems or facilities failure, capacity constraints or external factors (including power outages or terrorist action) could limit the Group's ability to conduct its operations

The Group is heavily dependent on the capacity and reliability of the computer and communications systems and facilities supporting its operations, whether owned and operated internally or by third parties. These computer and communications systems and facilities may suffer performance degradation or failure for any

number of reasons, including loss of power, acts of war or terrorism, human error, natural disasters, fire, sabotage, hardware or software malfunctions or defects, computer viruses, intentional acts of vandalism, customer error or misuse, lack of proper maintenance or monitoring and similar events. If such a degradation or failure were to occur, it could cause:

- unanticipated disruptions in service to the Group's customers;
- slower response times;
- delays in trade execution;
- failed settlement of trades; and
- incomplete or inaccurate accounting, recording or processing of trades.

Further, if the Group's business continuity plans do not operate effectively, they may not be adequate to correct or mitigate the effects of any of the above eventualities. In addition, the business continuity plans or personnel of its third-party service providers may not be adequate to correct or mitigate any of the above eventualities or be implemented properly. The occurrence of degradation or failure of the communications and computer systems and facilities on which the Group relies may lead to financial losses, litigation or arbitration claims filed by or on behalf of its customers. Any such degradation or failure could also have a negative effect on the Group's reputation, which in turn could cause it to lose existing customers to its competitors or make it more difficult for it to attract new customers in the future.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that (i) the relevant Issuer will be unable to comply with its obligations as a company with securities admitted to the Official List or (ii) any member of the Group (which is a supervised firm regulated by the FSA) will be unable to comply with its obligations as a supervised firm regulated by the FSA.

The Group may be adversely affected if its reputation is harmed, including as a result of perceived or actual failures in operational and/or financial controls

The Group is subject to the risk of loss due to customer or staff misconduct, significant operational failures or perceived failures. The Group's ability to attract and retain customers and employees and raise appropriate financing or capital may be adversely affected to the extent its reputation is damaged. If it fails to deal with various issues that may give rise to reputational risk, its reputation and in turn its business prospects may be harmed. These issues include, but are not limited to, appropriately dealing with potential conflicts of interest, legal and regulatory requirements, customer management and communication, discrimination issues, money-laundering, failure to securely hold client information in the Group's post trade businesses, privacy, record-keeping, sales and trading practices, and the proper identification of the legal, reputational, credit, liquidity and market risks inherent in its business. Failure to address these issues appropriately could give rise to litigation and regulatory risk to the Group.

There have been a number of highly publicised cases involving fraud or other misconduct by employees of financial services firms in recent years. The Group's reputation could be damaged by an allegation or finding, even where the associated fine or penalty is not material. Misconduct could include hiding unauthorised activities from the Group, improper or unauthorised activities on behalf of customers, improper use of confidential information or use of improper marketing materials. The Group has systems and controls in place to prevent and detect misconduct; however, the risks posed by misconduct may not be entirely eliminated through controls.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that (i) the relevant Issuer will be unable to comply with its obligations as a company with securities admitted to the Official List or (ii) any member of the Group (which is as a supervised firm regulated by the FSA) will be unable to comply with its obligations as a supervised firm regulated by the FSA.

The Group may be adversely affected financially either directly or indirectly if its reputation is harmed as a result of employing mathematical and/or financial algorithms that subsequently turn out to be flawed

The Group provides brokerage and post trade services that may use proprietary or third party software that subsequently turns out to employ incorrect mathematics, be incorrectly implemented and/or incorrectly employed. The Group could suffer a loss to its reputation and subsequent financial damage through loss of revenue and/or litigation. The Group has systems and controls in place to prevent such mistakes; however, the risks posed by such events may not be entirely eliminated through such controls.

The Group may be adversely affected if it is not able to protect its Intellectual Property rights

The Group protects its intellectual property by relying upon a combination of trademark laws, copyright laws, patent laws, trade secret protection, confidentiality agreements and other contractual arrangements with its affiliates, customers, strategic partners and others. The protective steps the Group has taken may be inadequate to deter misappropriation of its proprietary information. Further, defending its intellectual property rights could result in the expenditure of significant financial and managerial resources, which could adversely affect the Group's business, financial condition and operating results.

The Group also takes measures to avoid infringing any third party's intellectual property rights. Any third party claim could be substantial in its own right, and also impact the ability of the Group to continue providing certain services or launch new ones.

The Group may have difficulty integrating and operating recent acquisitions, as well as any future acquisitions, with its existing operations

Since 2006, the Group has seen a number of significant acquisitions. In June 2006, ICAP acquired EBS Group Limited (**EBS**), in December 2007 it acquired Traiana, Inc. (**Traiana**), in April 2008 ICAP completed the acquisition of Link Asset and Securities Company Limited (**Link**) and in March 2010 ICAP completed the acquisition of TriOptima AB (**TriOptima**). On 18 May 2012 the Group also announced the proposed acquisition of PLUS Stock Exchange Plc (see "*Description of Obligors – Group Strategy*").

The integration and operation of any future acquisitions may expose the Group to certain risks, including the following:

- difficulty in integrating the acquired businesses in a cost-effective manner, including the establishment of effective management information and financial control systems;
- unforeseen legal, regulatory, contractual, labour or other issues arising out of the acquisitions;
- significant unexpected liabilities or contingencies arising from the acquisitions, for which the Group is not fully indemnified;
- potential disruptions to the Group's ongoing business caused by senior management's focus on the acquired companies; and
- performance of acquired assets may not meet the Group's expectations or plans, particularly where assets are acquired in markets which subsequently decline in size.

If the Group is unable to integrate successfully its recent acquisitions or any future acquisitions, this could have a negative impact on the results of the Group's operations or financial condition. In the year ended 31 March 2012, impairments to goodwill and intangible assets increased by £92 million due principally to the writedown of goodwill relating to Link and Arkhe Distribuidora de Titulos e Valores.

Risks Relating to the Industry

Changes in domestic and international market factors that reduce activity levels could significantly harm the Group

The Group generates revenues primarily from commissions it earns by facilitating and executing customer orders. These revenue sources are substantially dependent on customer trading volumes. The volume of transactions its customers conduct with it is directly affected by domestic and international market factors that are beyond the Group's control, including:

- economic, political and market developments;
- broad trends in industry and finance;
- changes in trading patterns in the broader marketplace;
- price levels and price volatility in the securities markets;
- legislative and regulatory changes;
- actions of competitors;
- changes in government monetary policies;
- foreign exchange rates; and
- inflation.

Any material decrease in trading volumes could have a material adverse effect on the Group, its financial condition and operating results.

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

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 relevant Issuer

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, each Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

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

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 the relevant 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 Dated Subordinated Notes are subordinated

The relevant Issuer's obligations under Dated Subordinated Notes will be unsecured and subordinated and will rank junior in priority of payment to the claims of all unsubordinated creditors of the relevant Issuer. Dated Subordinated Notes issued by ICAP will not have the benefit of the Guarantee.

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

Guarantee

ICAP is the holding company of IGHP. On 31 March 2009, ICAP novated its obligations under the Group's core committed bank facilities to IGHP and during April and May 2009 a number of the Group's outstanding transactional foreign exchange hedges were also novated to IGHP from Intercapital Limited. At 31 March 2012, IGHP had £227 million of outstanding borrowings under the core bank facilities and had access to a further £324 million of committed funding. IGHP's borrowings are unsecured.

In order to mitigate any structural subordination issues arising from the novation of ICAP's obligations to IGHP, IGHP has, pursuant to the Trust Deed, given a guarantee of the obligations of ICAP in respect of Senior Notes issued by ICAP. The Guarantee will rank equally with present and future unsecured and unsubordinated indebtedness of IGHP. If in the future the Group identifies operational efficiencies in reinstating ICAP as the principal borrower under the Group's committed bank facilities, the terms of the Trust Deed provide that IGHP will be released from its obligations in respect of the Guarantee (including obligations in respect of any outstanding Notes) once the novation of the Group's bank facilities to ICAP has been completed and provided that IGHP does not have any other outstanding Financial Indebtedness (as defined in Condition 4(c)).

Risks related to Notes generally

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

The Notes are not protected by the Financial Services Compensation Scheme

Unlike a bank deposit, the Notes are not protected by the Financial Services Compensation Scheme (the **FSCS**) or any other government savings or deposit protection scheme. As a result, the FSCS will not pay compensation to an investor in the Notes upon the failure of the relevant Issuer or IGHP as Guarantor (if applicable). If the relevant Issuer or IGHP as Guarantor (if applicable) goes out of business or becomes insolvent, Noteholders may lose all or part of their investment in the Notes.

Modification, waivers 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 Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of the relevant Issuer, in the circumstances described in Condition 15.

EU Savings Directive

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

The European Commission has proposed certain amendments to the Directive which may, if implemented, amend or broaden the scope of the requirements described above.

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, none of the relevant Issuer, IGHP, as guarantor in respect of Senior Notes issued by ICAP, any Paying Agent and 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. The relevant Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive.

U.S. Foreign Account Tax Compliance Withholding

The relevant Issuer and other non-U.S. financial institutions through which payments on the Notes are made may be required to withhold U.S. tax at a rate of 30 per cent. on all, or a portion of, payments made after 31 December 2016 in respect of (i) any Notes treated as debt for U.S. federal tax purposes that are issued after 31 December 2012 or are materially modified from that date and (ii) any Notes treated as equity for U.S. federal tax purposes, whenever issued, pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code (**FATCA**) or similar law implementing an intergovernmental approach to FATCA. This withholding tax may be triggered if (i) the relevant Issuer is a foreign financial institution (**FFI**) (as defined in FATCA) that enters into and complies with an agreement with the U.S. Internal Revenue Service (**IRS**) to provide certain information on its account holders (making such Issuer a **Participating FFI**), (ii) the relevant Issuer has a positive “passthru payment percentage” (as determined under FATCA), and (iii)(a) an investor does not provide information sufficient for the relevant Participating FFI to determine whether the investor is a U.S. person or should otherwise be treated as holding a “United States Account” of such Participating FFI, or (b) an investor does not consent, where necessary, to the disclosure of the information required by FATCA to be provided to the IRS, or (c) any FFI that is an investor, or through which payment on such Notes is made, is not a Participating FFI.

The application of FATCA to interest, principal or other amounts paid with respect to the Notes is not clear. If an amount in respect of U.S. withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes, none of the relevant Issuer, IGHP as Guarantor (if applicable), any paying agent and any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding of such tax. As a result, investors may, if FATCA is implemented as currently proposed by the IRS, receive less interest or principal than expected. Holders of Notes should consult their own tax advisers on how these rules may apply to payments they receive under the Notes.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on proposed regulations and official guidance that is subject to change.

Bearer Notes where denominations involve integral multiples: definitive Bearer Notes

In relation to any issue of Bearer Notes which have denominations consisting of a minimum Specified Denomination and 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 Bearer Note in respect of such holding (should definitive Bearer Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to the minimum Specified Denomination.

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

Risks relating to holding CREST Depositary Interests

Terms used in this risk factor and not otherwise defined shall have the meanings given to such terms in “*Book-Entry Clearing Systems – Crest Depositary Interests*”.

CREST Depositary Interests are separate legal obligations distinct from the Notes and CDI Holders will be subject to additional provisions other than the conditions of the Notes.

CDI Holders will hold or have an interest in a separate legal instrument and not be the legal owners of the Notes. The rights of CDI Holders to the Notes are represented by the relevant entitlements against the CREST Depositary which (through the CREST Nominee) holds interests in the Notes. Accordingly, rights under the Notes cannot be enforced by CDI Holders except indirectly through the intermediary depositaries and custodians. The enforcement of rights under the Notes will be subject to the local law of the relevant intermediaries. This could result in an elimination or reduction in the payments that otherwise would have been made in respect of the Notes in the event of any insolvency or liquidation of any of the relevant intermediaries, in particular where the Notes held in clearing systems are not held in special purpose accounts and are fungible with other securities held in the same accounts on behalf of other customers of the relevant intermediaries.

The rights of the CDI Holders will be governed by the arrangements between CREST, Euroclear, Clearstream, Luxembourg and the relevant Issuer, including the CREST Deed Poll. Potential investors should note that the provisions of the CREST Deed Poll, the CREST Manual and the CREST Rules contain indemnities, warranties, representations and undertakings to be given by CDI Holders and limitations on the liability of the CREST Depositary. CDI Holders are bound by such provisions and may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the amounts originally invested by them. As a result, the rights of, and returns received by, CDI Holders may differ from those of holders of Notes which are not represented by CDIs.

In addition, CDI Holders may be required to pay fees, charges, costs and expenses to the CREST Depositary in connection with the use of the CREST International Settlement Links Service. These will include the fees and expenses charged by the CREST Depositary in respect of the provision of services by it under the CREST Deed Poll and any taxes, duties, charges, costs or expenses which may be or become payable in connection with the holding of the Notes through the CREST International Settlement Links Service.

Potential investors should note that none of the Obligors, the relevant Dealer, the Trustee and the Paying Agents will have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

For further information on the issue and holding of CDIs see the section entitled “*Book-Entry Clearing Systems – Crest Depositary Interests*” in this Offering Circular.

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:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be 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.

Further, if an investor chooses to sell its Notes in the open market at any time prior to maturity of the Notes, the price the investor will receive from a purchaser may be less than its original investment, and may be less than

the amount due to be repaid at maturity of the Notes if the investor were to hold onto the Notes until then. Factors that will influence the price received by investors who choose to sell their Notes in the open market may include, but are not limited to, market appetite, inflation, the period remaining to maturity of the Notes, prevailing interest rates and the financial position of the relevant Issuer and/or the Guarantor (if applicable).

Exchange rate risks and exchange controls

The relevant Issuer and the Guarantor (if applicable) will pay principal and interest on the Notes or, as the case may be, 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 Specified Currency or the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

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

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of 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 structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

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.

Documents Incorporated by Reference

The following documents which have previously been published or are published simultaneously with this Offering Circular and have been filed with the Financial Services Authority shall be incorporated in, and form part of, this Offering Circular:

- (a) the auditors' report and audited consolidated annual financial statements of ICAP for the financial year ended 31 March 2011, including the information set out at the following pages in particular:

Balance Sheet	Page 67
Income Statement	Pages 64-65
Cash Flow Statement	Page 70
Accounting Principles and Notes	Pages 71-133
Audit Report	Page 61

- (b) the auditors' report and audited consolidated annual financial statements of ICAP for the financial year ended 31 March 2012, including the information set out at the following pages in particular:

Balance Sheet	Page 71
Income Statement	Pages 68-69
Cash Flow Statement	Page 74
Accounting Principles and Notes	Pages 75-133
Audit Report	Page 65

- (c) the auditor's report and audited consolidated annual financial statements of IGHP for the financial year ended 31 March 2010, including the information set out at the following pages in particular:

Balance Sheet	Page 7
Income Statement	Page 6
Cash Flow Statement	Page 8
Accounting Principles and Notes	Pages 10-88
Audit Report	Page 5

- (d) the auditor's report and audited consolidated annual financial statements of IGHP for the financial year ended 31 March 2011, including the information set out at the following pages in particular:

Balance Sheet	Page 7
Income Statement	Page 6
Cash Flow Statement	Page 8
Accounting Principles and Notes	Pages 10-80
Audit Report	Page 5

and

- (e) the Terms and Conditions of the Notes contained in previous Offering Circulars dated 30 June 2009, pages 42-77 (inclusive) and 16 June 2008, pages 37-68 (inclusive) prepared by the Obligors in connection with the Programme.

Following the publication of this Offering Circular a supplement may be prepared by the Obligors and approved by the UK Listing Authority 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 Offering Circular or in a document which is incorporated by reference in this Offering Circular. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Copies of documents incorporated by reference in this Offering Circular can be obtained from the registered office of each of the Obligors and from the specified office of the Paying Agent for the time being in London.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

Any non-incorporated parts of a document referred to herein are either not relevant for an investor or are covered elsewhere in this Offering Circular.

The Obligors will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Offering Circular which is capable of affecting the assessment of any Notes, prepare a supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent issue of Notes.

Form of the Notes

The Notes of each Series will be in either bearer form, with or without interest coupons attached, or registered form, without interest coupons attached. Bearer Notes will be issued outside the United States in reliance on Regulation S under the Securities Act (**Regulation S**) and Registered Notes will be issued both outside the United States in reliance on the exemption from registration provided by Regulation S and within the United States in reliance on Rule 144A.

Bearer Notes

Each Tranche of Bearer Notes will be initially 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:

- (i) if the Global Notes are intended to be issued in new global note (NGN) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, société anonyme (**Clearstream, Luxembourg**); and
- (ii) if the Global Notes are not intended to be issued in NGN Form, be delivered on or prior to the original issue date of the Tranche to a common depositary (the **Common Depositary**) for, Euroclear and 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 Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note if the Temporary Bearer Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer 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 (i) interests in a Permanent Bearer Global Note of the same Series or (ii) 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, provided that purchasers in the United States and certain U.S. persons will not be able to receive definitive Bearer Notes. 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 if the Permanent Bearer Global Note is not intended to be issued in NGN form) 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 10) 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 satisfactory to the Trustee is available or (iii) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Bearer Global Note in definitive form and a certificate to that effect signed by two Directors of the

relevant Issuer is given to the Trustee. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 14 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) or the Trustee 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 1 year and on all receipts and interest coupons relating to such 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 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

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a global note in registered form (a **Regulation S Global Note**). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

The Registered Notes of each Tranche may only be offered and sold in the United States or to U.S. persons in private transactions to “qualified institutional buyers” within the meaning of Rule 144A under the Securities Act (**QIBs**). The Registered Notes of each Tranche sold to QIBs will be represented by a global note in registered form (a **Rule 144A Global Note** and, together with a Regulation S Global Note, the **Registered Global Notes**).

Registered Global Notes will either (i) be deposited with a custodian for, and registered in the name of a nominee of, DTC for the accounts of Euroclear and Clearstream, Luxembourg or (ii) be deposited with a common depositary or safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms. 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.

The Rule 144A Global Note will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

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 6(d)) as the registered holder of the Registered Global Notes. None of the relevant Issuer, IGHP (in its capacity as guarantor of Senior Notes issued by ICAP), any Paying Agent, the Trustee and 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 6(d)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default has occurred and is continuing, (ii) in the case of Notes registered in the name of a nominee for DTC, either DTC has notified the

relevant Issuer that it is unwilling or unable to continue to act as depository for the Notes and no alternative clearing system satisfactory to the Trustee is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act, (iii) in the case of Notes registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg, 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, in any such case, no successor clearing system satisfactory to the Trustee is available or (iv) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form and a certificate to that effect signed by two Directors of the relevant Issuer is given to the Trustee. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) or the Trustee may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iv) above, the relevant Issuer may also 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.

Transfer of Interests

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable. **Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions, see “Subscription and Sale and Transfer and Selling Restrictions” and “Terms and Conditions of the Notes – Transfer of Registered Notes”.**

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 and, where applicable, a CUSIP and CINS number which are different from the common code, ISIN, CUSIP and CINS 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) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg and/or DTC 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, the Principal Paying Agent and the Trustee.

In addition, holders of interests in a Global Note credited to their accounts with DTC may require DTC to deliver Definitive Notes in registered form in exchange for their interest in such Global Note in accordance with DTC’s standard operating procedures.

Crest Depositary Interests

If so specified in the applicable Final Terms, investors may also hold interests in the Notes through CREST through the issuance of CREST Depositary Interests. See “*Book-Entry Clearing Systems – Crest Depositary Interests*” for more information regarding holding CDIs.

Forms of Final Terms

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of less than €100,000 (or its equivalent in another currency)

[Date]

[ICAP plc/ICAP Group Holdings plc]
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the £1,000,000,000
Global Medium Term Note Programme
[guaranteed by ICAP Group Holdings plc]*

[The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer[, the Guarantor]* 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, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 36 of Part A below, provided such person is one of the persons mentioned in Paragraph 36 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer[, nor the Guarantor]* nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

[The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer[, the Guarantor]* 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, in each case, in relation to such offer. Neither the Issuer[, nor the Guarantor]* nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]

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 Offering Circular dated [date] [and the Supplemental Offering Circular dated [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular [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 Offering Circular [as so supplemented]. The Offering Circular [and the Supplemental Offering Circular] [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 an Offering Circular with an earlier date.]

* Applicable only for Senior Notes issued by ICAP plc.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Offering Circular dated [original date] which are incorporated by reference in the Offering Circular dated [current date] 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 and must be read in conjunction with the Offering Circular dated [current date] [and the Supplemental Offering Circular dated [date]] 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 Offering Circular dated [current date] [as so supplemented]. Copies of such Offering Circular [and the Supplemental Offering Circular] 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.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination must be £100,000 or its equivalent in any other currency.]

1. (i) Issuer: [ICAP plc/ICAP Group Holdings plc]
(ii) Guarantor: ICAP Group Holdings plc
(N.B. Applicable only for Senior Notes issued by ICAP plc)
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. (a) Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
6. (a) Specified Denominations: [●]
(in the case of Registered Notes, this means the minimum integral amount in which transfers can be made) *(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 €1,000 minimum denomination is not required.)*
(b) Calculation Amount: [●]
(If there is only one Specified Denomination, insert that Specified Denomination. If there is more than one Specified Denomination, insert the highest common factor. N.B. there must be a common factor in the case of two or more Specified Denominations)
7. (a) Issue Date: [●]
(b) Interest Commencement Date: [●]

* Applicable only for Senior Notes issued by ICAP plc.

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] +/- [●] per cent. 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]
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]
 [Change of Control Put]
 [Issuer Call]
 [(further particulars specified below)]
13. (a) Status of the Notes: [Senior/Dated Subordinated]
 (b) [Status of the Guarantee: Senior]
(N.B. Applicable only for Senior Notes issued by ICAP plc)
 (c) Date [Board] approval for issuance of Notes [and Guarantee] obtained: [●]
(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or the related Guarantee (if applicable))
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/semi annually/quarterly] in arrear]]
 [Condition 5(a)(ii) applicable.
 The Initial Rate of Interest is [●] per annum [payable [annually/semi annually/quarterly] in arrear.
 The Step-up Margin is [●].]
- (b) Interest Payment Date(s): [[●] in each year up to and including the Maturity Date]/[specify other]
(N.B. This will need to be amended in the case of long or short coupons)

- (c) Fixed Coupon Amount(s): [●] per Calculation Amount
(Applicable to Notes in definitive form.)
- (d) Broken Amount(s): [●] per Calculation Amount payable on the Interest Payment Date falling in/on [●].
(Applicable to Notes in definitive form.)
- (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
N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration
N.B. 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) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/*[specify other]*]
- (c) Additional Business Centre(s): [●]
- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/*specify other*]
- (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): [●]
- (f) 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 general 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 TARGET 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)

- (g) ISDA Determination:
- Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
- (h) Margin(s): [+/-] [●] per cent. per annum
- (i) Minimum Rate of Interest: [●] per cent. per annum
- (j) Maximum Rate of Interest: [●] per cent. per annum
- (k) Day Count Fraction: [Actual/Actual (ISDA) or Actual/Actual Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 30/360 or 360/360 or Bond Basis 30E/360 or Euro Bond Basis 30E/360 (ISDA) Other]
- (l) Fallback 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 subparagraphs 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 7(e) and 7(j) apply/specify other]
- (Consider applicable day count fraction if not U.S. dollar denominated)*
18. Index Linked Interest Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Index/Formula: [give or annex details]
- (b) Calculation Agent responsible for calculating the interest due: [●]
- (c) 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]
- (d) Specified Period(s)/Specified Interest Payment Dates: [●]
- (e) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention/specify other]

- (f) Additional Business Centre(s): [●]
- (g) Minimum Rate of Interest: [●] per cent. per annum
- (h) Maximum Rate of Interest: [●] per cent. per annum
- (i) Day Count Fraction: [●]
19. Dual Currency Interest Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate of Exchange/method of calculating Rate of Exchange: [give or annex details]
- (b) Calculation Agent, if any, responsible for calculating the interest payable: [●]
- (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 subparagraphs of this the remaining paragraph)
- (a) Optional Redemption Date(s): [●]
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [●] per Calculation Amount
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [●]
- (ii) Maximum Redemption Amount: [●]
- (d) Notice period (if other than as set out in the Conditions): [●]
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
- (c) Notice period (if other than as set out in the Conditions): [●]
22. Change of Control Put: [Applicable/Not Applicable]
23. Final Redemption Amount: [[●] per Calculation Amount/specify other/see Appendix]

24. Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same or on Change of Control Put (if applicable) (if required or if different from that set out in Condition 7(e)): ☐ per Calculation Amount/specify other/see Appendix]

General Provisions Applicable to the Notes

25. Form of Notes:

(a) Form:

[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 the occurrence of 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/at any time at the request of the Issuer]]]

[Registered Notes:

[Regulation S Global Note ([U.S.\$][☐] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream, Luxembourg /a common safekeeper for Euroclear and Clearstream, Luxembourg]]

[Rule 144A Global Note (U.S.\$[☐] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream, Luxembourg]]

(Where CDIs will be used, specify Permanent Bearer Global Note option (in the case of Bearer Notes) or Regulation S Global Note option (in the case of Registered Notes) and include the following additional text:

“CREST Depositary Interests (**CDIs**) representing the Notes may also be issued in accordance with the usual procedures of Euroclear UK & Ireland Limited (**CREST**)”

(b) New Global Note:

[Yes][No]

26. Additional Financial Centre(s) or other special provisions relating to Payment Days: [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)

27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]

28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details. *N.B. a new form of Temporary Bearer Global Note and/or Permanent Bearer Global Note may be required for Partly Paid issues*]
29. Details relating to Instalment Notes:
- (a) Instalment Amount(s): [Not Applicable/give details]
- (b) Instalment Date(s): [Not Applicable/give details]
30. Redenomination applicable: Redenomination [not] applicable
- [(If Redenomination is applicable, specify the terms of the redenomination in an Annex to the Final Terms)]
31. Consolidation provisions: [Not Applicable/The provisions in Condition 17 apply]
32. Other final terms: [Not Applicable/give details]
- Distribution**
33. (a) If syndicated, names of Managers: [Not Applicable/give names addresses and underwriting commitments]
- (Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses 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(s) (if any): [Not Applicable/give name]
34. If non-syndicated, name and address of relevant Dealer: [Not Applicable/give name and address]
35. Total Commission and Concession:
36. U.S. Selling Restrictions: [Reg. S Compliance Category TEFRA D/TEFRA C/TEFRA not applicable]
37. Non exempt Offer: [Not Applicable] [An offer of the Notes may be made by the Managers [and [specify names¹ of other financial intermediaries/placers making non-exempt offers, to the extent known OR consider a generic description of other parties involved in non-exempt offers (e.g. "other parties authorised by the Managers") or (if relevant) note that other parties may make non-exempt offers in the Public Offer Jurisdictions during the Offer Period, if not known]] (together with the Managers, the **Financial Intermediaries**) other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdictions where the Offering Circular and any supplements have been passported (in addition to the jurisdiction where approved and published)] (**Public Offer**)]

Jurisdictions) during the period from [*specify date*] until [*specify date or a formula such as "the Issue Date" or "the date which falls [●] Business Days thereafter"*] (**Offer Period**). See further Paragraph 10 of Part B below.

(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)

38. Additional selling restrictions:

[Not Applicable/give details]

Purpose of Final Terms

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [and admission to trading on the London Stock Exchange's regulated market and admission to the Official List of the UK Listing Authority] of the Notes described herein pursuant to the £1,000,000,000 Global Medium Term Note Programme of ICAP plc and ICAP Group Holdings plc.

Responsibility

The Issuer [accepts/and the Guarantor accept]* responsibility for the information contained in these Final Terms. [[*Relevant third party information, for example in compliance with Annex XII to the Prospectus Directive Regulation in relation to an index or its components*] has been extracted from [●]. The Issuer [confirms/and the Guarantor confirm]* that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of [ICAP plc/ICAP Group Holdings plc]* [Signed on behalf of ICAP Group Holdings plc*]:

By:

Duly authorised

By:

Duly authorised]

* *Delete and complete as applicable.*

Part B – OTHER INFORMATION

1. Listing and Admission to Trading

[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market and to listing on the Official List of the UK Listing Authority] 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 the London Stock Exchange's regulated market and to listing on the Official List of the UK Listing Authority with effect from [●].] [Not Applicable.]

(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)

2. Ratings

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)].]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

(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 (EU) No. 1060/2009 (as amended).]

[[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 (EU) No. 1060/2009 (as amended).]

[[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 (EU) No. 1060/2009 (as amended) (the **CRA Regulation**). The ratings have been endorsed by [insert the legal name of the relevant EU-registered credit rating agency entity] in accordance with the 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.]

[[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 (EU) No. 1060/2009 (as amended) (the **CRA Regulation**), but it is certified in accordance with the CRA Regulation.]

3. Interests of Natural and Legal Persons Involved in the Issue

[Save for any fees payable to the [Managers/Dealers], 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*]

4. Reasons for the Offer, Estimated Net Proceeds and Total Expenses

[(i)] Reasons for the offer

[●]

(See ["Use of Proceeds"] wording in Offering Circular – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)

[(ii)] Estimated net proceeds:

[●]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii)] Estimated total expenses:

[●]

[Expenses are required to be broken down into each principal intended "use" and presented in order of priority of such "uses".]

(N.B.: If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) and (iii) above are also required.)

5. Yield (Fixed Rate Notes only)

Indication of yield:

[●]

[Calculated as [include details of method of calculation in summary form] on the Issue Date.]

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

6. Historic Interest Rates (Floating Rate Notes only)

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

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)

[If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

[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.]

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

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)

[If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

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

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

9. Operational Information

(i) ISIN Code: [●]

(ii) Common Code: [●]

(iii) CUSIP: [●]

(iv) CINS: [●]

(v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, société anonyme/The Depository Trust Company and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
[The Notes will also be made eligible for CREST via the issue of CDIs representing the Notes]

(vi) Delivery: Delivery [against/free of] payment

(vii) Names and addresses of additional Paying Agent(s) (if any): [●]

(viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]

[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the NSS,] [include this text for Registered Notes which are to be held under the NSS] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] [include this text if “yes” selected in which case Bearer Notes must be issued in NGN form]

10. Terms and Conditions of the Offer

Offer Price:	[Issue Price/Not applicable/specify]
[Conditions to which the offer is subject:]	[Not applicable/give details]
[Description of the application process:]	[Not applicable/give details]
[Details of the minimum and/or maximum amount of application:]	[Not applicable/give details]
[Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:]	[Not applicable/give details]
[Details of the method and time limits for paying up and delivering the Notes:]	[Not applicable/give details]
[Manner in and date on which results of the offer are to be made public:]	[Not applicable/give details]
[Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:]	[Not applicable/give details]
[Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:]	[Not applicable/give details]
[Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:]	[Not applicable/give details]
[Amount of any expenses and taxes specifically charged to the subscriber or purchaser:]	[Not applicable/give details]
[Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.]	[None/give details]

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of at least of €100,000 (or its equivalent in another currency)

[Date]

[ICAP plc/ICAP Group Holdings plc]
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the £1,000,000,000
Global Medium Term Note Programme
[guaranteed by ICAP Group Holdings plc]*

The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer[, the Guarantor]* 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, in each case, in relation to such offer. Neither the Issuer[, nor the Guarantor]* nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

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 Offering Circular dated [date] [and the Supplemental Offering Circular dated [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular [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 Offering Circular [as so supplemented]. The Offering Circular [and the Supplemental Offering Circular] [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 an Offering Circular 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 Offering Circular dated [original date] which are incorporated by reference in the Offering Circular dated [current date] 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 and must be read in conjunction with the Offering Circular dated [current date] [and the Supplemental Offering Circular dated [date]] 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 Offering Circular dated [current date] [as so supplemented]. Copies of such Offering Circular [and the Supplemental Offering Circular] 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.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination must be £100,000 or its equivalent in any other currency.]

- | | |
|-------------------|---|
| 1. [(i)] Issuer: | [ICAP plc/ICAP Group Holdings plc] |
| [(ii)] Guarantor: | ICAP Group Holdings plc |
| | <i>(N.B. Applicable only for Senior Notes issued by ICAP plc)</i> |

* Applicable only for Senior Notes issued by ICAP plc.

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. (a) Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
6. (a) Specified Denominations: [●] *(N.B. Where Bearer Notes with multiple denominations above €100,000 or equivalent are being used the following language should be used: "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000")*
(in the case of Registered Notes, this means the minimum integral amount in which transfers can be made)
(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 there is only one Specified Denomination, insert that Specified Denomination. If there is more than one Specified Denomination, insert the highest common factor. N.B. 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] +/- [●] per cent. 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]

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]
[Change of Control Put]
[Issuer Call]
[(further particulars specified below)]*
13. (a) Status of the Notes: *[Senior/Dated Subordinated]*
- (b) [Status of the Guarantee: *Senior]*
(N.B. Applicable only for Senior Notes issued by ICAP plc)
- (c) Date [Board] approval for issuance of Notes [and Guarantee] obtained: *[●]*
(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or the related Guarantee (if applicable))
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/semi annually/quarterly] in arrear]]*
[Condition 5(a)(ii) applicable.]
The Initial Rate of Interest is [●] per annum [payable [annually/semi annually/quarterly] in arrear.]
The Step-up Margin is [●].]
- (b) Interest Payment Date(s): *[[●] in each year up to and including the Maturity Date]/[specify other]*
(N.B. This will need to be amended in the case of long or short coupons)
- (c) Fixed Coupon Amount(s): *[●] per Calculation Amount*
(Applicable to Notes in definitive form.)
- (d) Broken Amount(s): *[●] per Calculation Amount payable on the Interest Payment Date falling in/on [●].*
(Applicable to Notes in definitive form.)
- (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]
N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration
N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA)]
- (g) Other terms relating to the method of *[None/Give details]*

calculating interest for Fixed Rate Notes:

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) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]
- (c) Additional Business Centre(s): [●]
- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/specify other]
- (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): [●]
- (f) 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 general 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 TARGET 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)
- (g) ISDA Determination:
- Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
- (h) Margin(s): [+/-] [●] per cent. per annum
- (i) Minimum Rate of Interest: [●] per cent. per annum
- (j) Maximum Rate of Interest: [●] per cent. per annum
- (k) Day Count Fraction: [Actual/Actual (ISDA) or Actual/Actual Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 30/360 or 360/360 or Bond Basis 30E/360 or Euro Bond Basis 30E/360 (ISDA) Other]

- (l) Fallback 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 subparagraphs 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 7(e) and 7(j) apply/specify other]
(Consider applicable day count fraction if not U.S. dollar denominated)
18. Index Linked Interest Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Index/Formula: [give or annex details]
- (b) Calculation Agent responsible for calculating the interest due: [●]
- (c) 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]
- (d) Specified Period(s)/Specified Interest Payment Dates: [●]
- (e) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention/specify other]
- (f) Additional Business Centre(s): [●]
- (g) Minimum Rate of Interest: [●] per cent. per annum
- (h) Maximum Rate of Interest: [●] per cent. per annum
- (i) Day Count Fraction: [●]
19. Dual Currency Interest Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate of Exchange/method of calculating Rate of Exchange: [give or annex details]
- (b) Calculation Agent, if any, responsible for calculating the interest payable: [●]
- (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 subparagraphs of this the remaining paragraph)
- (a) Optional Redemption Date(s): [●]
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [●] per Calculation Amount
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [●]
- (ii) Maximum Redemption Amount: [●]
- (d) Notice period (if other than as set out in the Conditions): [●]
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
- (c) Notice period (if other than as set out in the Conditions): [●]
22. Change of Control Put: [Applicable/Not Applicable]
23. Final Redemption Amount: [[●] per Calculation Amount/specify other/see Appendix]
24. Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same or on Change of Control Put (if applicable) (if required or if different from that set out in Condition 7(e)): [[●] per Calculation Amount/specify other/see Appendix]

General Provisions Applicable to the Notes

25. Form of Notes:
- (a) Form: [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 the occurrence of 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/at any time at the request of the Issuer]]]
(N.B. 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 €199,000. No Notes in definitive form will be issued with a denomination above €199,000”,

Notes should only be expressed to be exchangeable for Definitive Notes upon the occurrence of an Exchange Event)

[Registered Notes:

[Regulation S Global Note ([U.S.\$][●] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]]

[Rule 144A Global Note (U.S.\$[●] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream, Luxembourg]]

(b) New Global Note:

[Yes][No]

26. Additional Financial Centre(s) or other special provisions relating to Payment Days:

[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)

27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):

[Yes/No. If yes, give details]

28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:

[Not Applicable/give details. N.B. a new form of Temporary Bearer Global Note and/or Permanent Bearer Global Note may be required for Partly Paid issues]

29. Details relating to Instalment Notes:

(a) Instalment Amount(s):

[Not Applicable/give details]

(b) Instalment Date(s):

[Not Applicable/give details]

30. Redenomination applicable:

Redenomination [not] applicable

[(If Redenomination is applicable, specify the terms of the redenomination in an Annex to the Final Terms)]

31. Consolidation provisions:

[Not Applicable/The provisions in Condition 17 apply]

32. Other final terms:

[Not Applicable/give details]

Distribution

33. (a) If syndicated, names of Managers:

[Not Applicable/give names]

(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(s) (if any):

[Not Applicable/give name]

34. If non-syndicated, name of relevant Dealer: [Name]
35. U.S. Selling Restrictions: [Reg. S Compliance Category TEFRA D/TEFRA C/TEFRA not applicable]
36. Additional selling restrictions: [Not Applicable/give details]

Purpose of Final Terms

These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange's regulated market and admission to the Official List of the UK Listing Authority of the Notes described herein pursuant to the £1,000,000,000 Global Medium Term Note Programme of ICAP plc and ICAP Group Holdings plc.

Responsibility

The Issuer [accepts/and the Guarantor accept]* responsibility for the information contained in these Final Terms. [[*Relevant third party information, for example in compliance with Annex XII to the Prospectus Directive Regulation in relation to an index or its components*] has been extracted from [●]. The Issuer [confirms/and the Guarantor confirm]* that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of [ICAP plc/ICAP Group Holdings plc]* [Signed on behalf of ICAP Group Holdings plc*:

By:

Duly authorised

By:

Duly authorised]

* *Delete and complete as applicable.*

Part B – OTHER INFORMATION

1. Listing and Admission to Trading

- (i) Listing and admission to trading:

[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market and to listing on the Official List of the UK Listing Authority] 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 the London Stock Exchange's regulated market and to listing on the Official List of the UK Listing Authority with effect from [●].] [Not Applicable.]

- (ii) Estimate of total expenses related to [●]
admission to trading:

2. Ratings

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 (EU) No. 1060/2009 (as amended).]

[[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 (EU) No. 1060/2009 (as amended).]

[[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 (EU) No. 1060/2009 (as amended) (the **CRA Regulation**). The ratings have been endorsed by [insert the legal name of the relevant EU-registered credit rating agency entity] in accordance with the 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.]

[[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 (EU) No. 1060/2009 (as amended) (the **CRA Regulation**), but it is certified in accordance with the CRA Regulation.]

3. Interests of Natural and Legal Persons Involved in the Issue

[Save for any fees payable to the [Managers/Dealers], 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*]

4. Reasons for the Offer, Estimated Net Proceeds and Total Expenses

[(i)] Reasons for the offer [●]

[(ii)] Estimated net proceeds: [●]

[(iii)] Estimated total expenses: [●]

(N.B.: Delete unless the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies in which case [(i)] above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in [(i)], disclosure of net proceeds and total expenses at [(ii)] and [(iii)] above are also required.)

5. Yield (Fixed Rate Notes only)

Indication of yield: [●]

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

6. Performance of Index/Formula 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.]

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

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 6 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

7. Performance of rate[s] of exchange (Dual Currency Notes only)

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

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

8. Operational Information

- (i) ISIN Code: [●]
- (ii) Common Code: [●]
- (iii) CUSIP: [●]
- (iv) CINS: [●]
- (v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, société anonyme/The Depository Trust Company and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

(vi) Delivery: Delivery [against/free of] payment

(vii) Names and addresses of additional Paying Agent(s) (if any): [●]

(viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]

[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the NSS,] *[include this text for Registered Notes which are to be held under the NSS]* and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] *[include this text if “yes” selected in which case Bearer Notes must be issued in NGN form]*

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 either ICAP plc (**ICAP**) or ICAP Group Holdings plc (**IGHP**). References herein to the **Issuer** shall be construed to mean whichever of ICAP or IGHP is specified as the Issuer in the applicable Final Terms (as defined below). This Note is constituted by a Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the **Trust Deed**) dated 16 June 2008 made between ICAP and BNY Corporate Trustee Services Limited (the **Trustee**, which expression shall include any successor as Trustee).

IGHP acceded to the Programme as an Issuer and, in the case of Senior Notes issued by ICAP, as the Guarantor pursuant to a First Supplemental Trust Deed dated 30 June 2009 made between ICAP, IGHP and the Trustee.

If this Note is specified in the applicable Final Terms as a Senior Note issued by ICAP, it is (subject to the provisions of Condition 3(c)) unconditionally and irrevocably guaranteed by IGHP (in such capacity, the **Guarantor**) pursuant to the terms of the Trust Deed. All references herein to the Guarantor and the Guarantee (as defined in Condition 3(c)) shall not apply to any other Notes.

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 the lowest 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).

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 26 June 2012 and made between ICAP, IGHP, the Trustee, The Bank of New York Mellon acting through its London branch as issuing and principal paying agent and agent bank (the **Principal Paying Agent**, which expression shall include any successor principal paying 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), The Bank of New York Mellon acting through its New York branch as exchange agent (the **Exchange Agent**, which expression shall include any successor exchange agent) and 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 Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

The Trustee acts for the benefit of the Noteholders (which expression 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), the holders of the Receipts (the **Receiptholders**) and the holders of the Coupons (the **Couponholders**, which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed.

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

Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours at the specified office of each of the Principal Paying Agent, the Registrar and the other Paying Agents and Transfer Agents (such Agents and the Registrar being together referred to as the **Agents**). Copies of the applicable Final Terms are available for viewing at the registered office of the Issuer and of the Principal Paying Agent and copies may be obtained from those offices 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 Issuer, the Trustee and the relevant Agent as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed, 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 Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of inconsistency between the Trust Deed or the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

1. Form, Denomination and Title

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 may also be a Senior Note or a Dated Subordinated Note as indicated 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.

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. The Issuer, the Guarantor (if applicable), the Trustee and any Agent 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 SA/NV (**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 the Issuer, the Guarantor (if applicable), the Trustee 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 shall be treated by the Issuer, the Guarantor (if applicable), the Trustee 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.

For so long as The Depository Trust Company (**DTC**) or its nominee is the registered owner or holder of a Registered Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Trust Deed and the Agency Agreement and the Notes except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear and Clearstream, Luxembourg, as the case may be. References to DTC, 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 Issuer, the Principal Paying Agent and the Trustee.

2. Transfers of registered notes

(a) Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in the Specified Denomination(s) set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Trust Deed and the Agency Agreement. Transfers of a Registered Global Note registered in the name of a nominee for DTC shall be limited to transfers of such Registered Global Note, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.

(b) Transfers of Registered Notes in definitive form

Subject as provided in paragraphs (e), (f) and (g) below, upon the terms and subject to the conditions set forth in the Trust Deed and the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the Specified Denomination(s) 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 Issuer, the Trustee and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 4 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.

(c) Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 7, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(d) 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 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.

(e) Transfers of interests in Regulation S Global Notes

Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Regulation S Global Note to a transferee in the United States or who is a U.S. person (as defined in Regulation S) will only be made:

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

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

In the case of 2(e)(i) above, such transferee may take delivery through a Legended Note in global or definitive form. After expiry of the applicable Distribution Compliance Period (i) beneficial interests in Regulation S Global Notes registered in the name of a nominee for DTC may be held through DTC directly, by a participant in DTC, or indirectly through a participant in DTC and (ii) such certification requirements will no longer apply to such transfers.

(f) Transfers of interests in Legended Notes

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

- (i) to a transferee who takes delivery of such interest through a Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate, copies of which are available from the specified office of any Transfer Agent, from the transferor of the Legended Note or beneficial interest therein to the effect that such transfer is being made in accordance with Regulation S and that in the case of a Regulation S Global Note registered in the name of a nominee for DTC, if such transfer is being made prior to expiry of the applicable Distribution Compliance Period, the interests in the Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream, Luxembourg; or
- (ii) to a transferee who takes delivery of such interest through a Legended Note where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or
- (iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

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

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the Legend, the Registrar shall deliver only Legended Notes or refuse to remove the Legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

(g) Exchanges and transfers of Registered Notes generally

Holders of Registered Notes in definitive form may exchange such Notes for interests in a Registered Global Note of the same type at any time.

(h) Definitions

In the Conditions, the following expressions shall have the following meanings:

Distribution Compliance Period means the period that ends 40 days after the completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue);

Legended Note means Registered Notes (whether in definitive form or represented by a Registered Global Note) sold in private transactions to QIBs in accordance with the requirements of Rule 144A;

QIB means a **qualified institutional buyer** within the meaning of Rule 144A;

Registered Global Note means a Global Note representing Registered Notes;

Regulation S means Regulation S under the Securities Act;

Regulation S Global Note means a Registered Global Note representing Notes sold outside the United States in reliance on Regulation S;

Rule 144A means Rule 144A under the Securities Act;

Rule 144A Global Note means a Registered Global Note representing Notes sold in the United States or to QIBs;

Securities Act means the United States Securities Act of 1933, as amended; and

U.S. persons has the meaning given to it in Regulation S.

3. Status of the Notes and the Guarantee

(a) Status of Senior Notes

The Senior Notes and any relative Receipts and Coupons constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank *pari passu* and without any preference among themselves and (subject as aforesaid 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 Issuer, from time to time outstanding.

(b) Status of Dated Subordinated Notes

The Dated Subordinated Notes and any relative Receipts and Coupons constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves.

The claims of the Trustee and the rights of holders of Dated Subordinated Notes and any relative Receipts and Coupons against the Issuer to payment of principal and interest in respect of the Dated Subordinated Notes are, in the event of the winding-up of the Issuer, subordinated in right of payment in the manner provided in the Trust Deed to the claims of all unsubordinated creditors of the Issuer. Accordingly, any amounts paid to the Trustee in the winding-up of the Issuer as aforesaid will be held on trust for distribution in satisfaction of the claims of unsubordinated creditors to the extent (if any) not fully paid up and thereafter in or towards payment of the amounts due under the Dated Subordinated Notes and the relative Receipts and Coupons.

The provisions of this Condition 3(b) apply only to the principal and interest in respect of the Dated Subordinated Notes and nothing in this Condition 3(b) or in Condition 10 shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

Subject to applicable law, no holder of any Dated Subordinated Note or any related Receipt or Coupon may exercise, claim or plead any right of set-off, counterclaim or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Dated Subordinated Notes or any relative Receipts or Coupons and each holder shall, by virtue of being the holder of any Dated Subordinated Note or, as the case may be, relative Receipt or Coupon, be deemed to have waived all such rights of such set-off, counterclaim or retention.

(c) Status of the Guarantee of IGHP in respect of Senior Notes issued by ICAP

The due performance of all payment and other obligations of ICAP under Senior Notes issued by it and any relative Receipts and Coupons and the Conditions and the Trust Deed in relation thereto has been unconditionally and irrevocably guaranteed (as more particularly described in the Trust Deed) by IGHP in its capacity as the Guarantor. The obligations of the Guarantor under its guarantee (the **Guarantee**) constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of IGHP and rank (subject as aforesaid and save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of IGHP from time to time outstanding.

At any time after the first date on which IGHP shall have outstanding no Financial Indebtedness (as defined in Condition 4(c) below), the Trustee shall (at the request of IGHP in the form of a certificate signed by two Directors of IGHP, which certificate shall also certify that no such Financial Indebtedness is currently outstanding and that no Event of Default or Potential Event of Default (as defined in the Trust Deed) has occurred or is expected to occur and upon which certificate the Trustee may rely absolutely) execute a supplemental trust deed releasing IGHP from its obligations as Guarantor under the Guarantee and under the Trust Deed (in such capacity) in respect of any Senior Notes already issued or to be issued by ICAP, but without prejudice to its obligations as Issuer in respect of any Notes or as IGHP under the Trust Deed. The fees, costs and expenses of the Trustee in connection with such a release shall be paid by IGHP, failing whom, ICAP.

IGHP has covenanted in the Trust Deed that, from such time that IGHP is released from its obligations as Guarantor in respect of Senior Notes issued by ICAP, it will not acquire, assume or incur any Financial Indebtedness unless prior thereto it shall have entered into a supplemental trust deed (in a form satisfactory to the Trustee) pursuant to which it will:

- (i) guarantee all Senior Notes issued by ICAP prior to such date;
- (ii) agree to guarantee all Senior Notes to be issued by ICAP after such date on the terms set out in the Guarantee; and
- (iii) be bound by all provisions of the Trust Deed and these Conditions applicable to the Guarantor.

In connection therewith, IGHP shall procure the delivery to the Trustee (at the time of entry into such supplemental trust deed) of a legal opinion as to the validity and enforceability (and such other matters as the Trustee shall require and as shall be customarily contained in such a legal opinion) of its obligations under such supplemental trust deed in a form satisfactory to the Trustee. The fees, costs and expenses of the Trustee in connection with the provision of such a guarantee shall be paid by IGHP, failing whom, ICAP.

4. Negative pledge and covenant relating to IGHP's status within the Group

This Condition 4 shall apply only to the Senior Notes and references to Notes and Noteholders shall be construed accordingly.

(a) Negative pledge

So long as any of the Notes remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Guarantor (if applicable) shall, and ICAP shall procure that no Principal Subsidiary (as defined in Condition 10) shall, create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a **Security Interest**) upon, or with respect to, any of their respective present or future businesses, undertakings, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness (as defined below), unless the Issuer and the Guarantor (if applicable), in the case of the creation of a Security

Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

- (i) all amounts payable by the Issuer under the Notes and by the Guarantor under the Guarantee (if applicable) are secured by the Security Interest equally and rateably with the Relevant Indebtedness to the satisfaction of the Trustee; or
- (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided either (A) as the Trustee in its absolute discretion deems not materially less beneficial to the interests of the Noteholders or (B) as is approved by an Extraordinary Resolution (which is defined in the Trust Deed as a resolution duly passed by a majority of not less than three-fourths of the votes cast) of the Noteholders, provided that any Principal Subsidiary acquired after the Issue Date (as defined in the applicable Final Terms) may have an outstanding Security Interest with respect to any Relevant Indebtedness (without the obligation to secure the Notes as aforesaid) so long as:
 - (A) either such Security Interest was outstanding on the date on which such Principal Subsidiary became a Principal Subsidiary and was not created in contemplation of such Principal Subsidiary becoming a Principal Subsidiary or such Security Interest was created in substitution for or to replace either such outstanding Security Interest or any such substituted or replacement security; and
 - (B) the principal amount of any Relevant Indebtedness secured is not increased after the date such Principal Subsidiary became a Principal Subsidiary.

(b) Status of IGHP within the Group

For so long as IGHP has obligations as Guarantor under the Guarantee and under the Trust Deed and/or is an Issuer of any outstanding Senior Notes, the Issuer (and, where the Issuer is ICAP, IGHP) shall ensure that, as at the last day of each Measurement Period, IGHP Group Consolidated EBITDA for such Measurement Period is greater than or equal to 85 per cent. of Group Consolidated EBITDA for such Measurement Period.

(c) Definitions

For the purposes of the Conditions:

EBITDA means the consolidated or, in the case of a Subsidiary with Subsidiaries, unconsolidated pre-taxation profits of a member of the Group for a Measurement Period as adjusted by:

- (i) adding back any finance costs;
- (ii) deducting any finance income; and
- (iii) adding back depreciation and amortisation, including impairment of intangibles;

Financial Indebtedness means any indebtedness (other than indebtedness owed by one member of the Group to another) for or in respect of:

- (i) moneys borrowed;
- (ii) any acceptance credit;
- (iii) any bond, note, debenture, loan stock or other similar instrument excluding such instruments that receive equity accounting treatment under IFRS;
- (iv) any redeemable preference share;
- (v) any agreement treated as a finance or capital lease in accordance with IFRS;
- (vi) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (vii) any other transaction (including any forward sale or purchase agreement) which has the commercial effect of a borrowing;
- (viii) without any double counting, any counter-indemnity obligation in respect of any guarantee, indemnity, bond, letter of credit or any other instrument issued by a bank or financial institution where, in each case, the primary liability is as described in paragraphs (i) to (vii) above; or

- (ix) without any double counting, any guarantee, indemnity or similar assurance (other than the Guarantee) against financial loss of any person in respect of any item referred to in the above paragraphs,

but excluding, in each case, any borrowings, or any guarantee, indemnity or similar assurance in respect of any borrowings, arising in the normal course of business as a result of delays arising in the clearing and settlement of commercial brokerage transactions, subject to any such commercial brokerage transaction not having been outstanding for a period exceeding 10 business days from (and including) the original settlement date in respect of such commercial brokerage transaction;

Group means ICAP and its Subsidiaries;

Group Consolidated EBITDA means the consolidated pre-taxation profits of the Group for a Measurement Period as adjusted by:

- (i) adding back any finance costs;
- (ii) deducting any finance income;
- (iii) adding back depreciation and amortisation, including impairment of intangibles;
- (iv) provided that if any exceptional, one-off, non-recurring or extraordinary items occurring in that Measurement Period exceed in aggregate 10 per cent. of Group Consolidated EBITDA, as calculated pursuant to paragraphs (i) to (iii) above, for that Measurement Period, such items shall (to the extent of the relevant excess) be excluded; and
- (v) for the purposes of the definition of “Principal Subsidiary” in this Condition 4(d):
 - (A) including (subject as set out below) the EBITDA of a member of the Group acquired during that Measurement Period for the part of the Measurement Period when it was not a member of the Group;

but

- (B) excluding the EBITDA attributable to any member of the Group sold during that Measurement Period.

For the purposes of sub-paragraph (A) above:

- (x) the EBITDA of a member of the Group which was acquired more than 90 days before the end of the Measurement Period will be adjusted by taking the EBITDA of the acquired member of the Group accrued for the period commencing on the date of its acquisition to (and including) the last day of the relevant Measurement Period multiplied by $365/X$ (where X is the number of days elapsed from the date of its acquisition to (and including) the last day of the relevant Measurement Period) and
- (y) the EBITDA of a member of the Group which was acquired less than 90 days before the end of a Measurement Period shall be the sum of (i) the EBITDA of the acquired member of the Group determined in accordance with IFRS for the period from the date of its acquisition to (and including) the last day of the relevant Measurement Period and (ii) the EBITDA of the relevant member of the Group (based on the accounts prepared by the vendor but adjusted so as to be consistent with IFRS) for the period from the first day of the relevant Measurement Period to the date of its acquisition;

For the purposes of this definition, Group Consolidated EBITDA shall be calculated by reference to:

- (i) for the purposes of the definition of “Principal Subsidiary”, the amounts shown in the most recent consolidated financial statements of ICAP (whether audited or, in the case of interim consolidated financial statements of ICAP, unaudited), as adjusted in the manner described above; and
- (ii) for the purposes of Condition 4(b), the amounts shown in the audited consolidated annual financial statements of ICAP for the relevant Measurement Period, as adjusted in the manner described above;

IFRS means international financial reporting standards;

IGHP Group means IGHP and its Subsidiaries;

IGHP Group Consolidated EBITDA means the consolidated pre-taxation profits of the IGHP Group for a Measurement Period as adjusted by:

- (i) adding back any finance costs;

(ii) deducting any finance income; and

(iii) adding back depreciation and amortisation, including impairment of intangibles;

provided that if any exceptional, one-off, non-recurring or extraordinary items occurring in that Measurement Period exceed in aggregate 10 per cent. of IGHP Group Consolidated EBITDA, as calculated pursuant to paragraphs (i) to (iii) above, for that Measurement Period, such items shall (to the extent of the relevant excess) be excluded.

For the purposes of this definition, IGHP Group Consolidated EBITDA shall be calculated by reference to the amounts shown in the audited consolidated annual financial statements of IGHP for the relevant Measurement Period, as adjusted in the manner described above;

indebtedness means, other than in the case of the definitions of “Relevant Indebtedness” in this Condition 4(d) and “Indebtedness for Borrowed Money” in Condition 10(a), any obligation (whether incurred as principal or as surety) for the payment or repayment of money;

Measurement Period means:

- (i) for the purposes of the definition of “Principal Subsidiary” and the related determinations, a period of 12 months ending on the last day of a financial half-year or full financial year; and
- (ii) for the purposes of Condition 4(b) and the related determinations, a period of 12 months ending on the last day of a full financial year;

Principal Subsidiary means each Subsidiary of ICAP whose EBITDA then equals or exceeds 5 per cent. of Group Consolidated EBITDA. For this purpose:

- (i) subject to paragraph (ii) below:
 - (A) the EBITDA of a Subsidiary of ICAP will be determined from its financial statements which were consolidated into the latest consolidated financial statements of ICAP (whether audited or, in the case of interim consolidated financial statements of ICAP, unaudited); and
 - (B) Group Consolidated EBITDA will be determined from the latest consolidated financial statements of ICAP (whether audited or, in the case of interim consolidated financial statements of ICAP, unaudited);
- (ii) if a Subsidiary of ICAP becomes a member of the Group after the date as at which the latest consolidated financial statements of ICAP (whether audited or, in the case of interim consolidated financial statements of ICAP, unaudited) were prepared:
 - (x) the EBITDA of the Subsidiary will be determined from its latest financial statements; and
 - (y) Group Consolidated EBITDA will be determined from the latest consolidated financial statements of ICAP (whether audited or, in the case of interim consolidated financial statements of ICAP, unaudited) but adjusted in the manner contemplated in the definition of Group Consolidated EBITDA to take into account any subsequent acquisition or disposal of a business or a company (including that Subsidiary);
- (iii) the EBITDA of a Subsidiary will, if it has Subsidiaries, be determined on an unconsolidated basis;
- (iv) if a Principal Subsidiary disposes of all or substantially all of its assets to another member of the Group, it will immediately cease to be a Principal Subsidiary and the other member of the Group (if it is not ICAP or already a Principal Subsidiary) will immediately become a Principal Subsidiary;
- (v) a Subsidiary of ICAP (if it is not already a Principal Subsidiary) will become a Principal Subsidiary on completion of any other intra-Group transfer or reorganisation if it would have been a Principal Subsidiary had the intra-Group transfer or reorganisation occurred as at the date at which the latest consolidated financial statements of ICAP (whether audited or, in the case of interim consolidated financial statements of ICAP, unaudited) were prepared; and
- (vi) except as specifically mentioned in paragraph (iv) above, a member of the Group will remain a Principal Subsidiary until the next consolidated financial statements of ICAP (whether audited or, in the case of interim consolidated financial statements of ICAP, unaudited) show otherwise under paragraph (i) above;

Relevant Indebtedness means (i) any present or future indebtedness (whether being principal, premium, interest or other amounts) having a stated maturity of not less than one year and represented by notes,

bonds, debentures, debenture stock, loan stock or other securities which for the time being are, or are intended to be, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market, but excluding, for the avoidance of doubt, any borrowings arising in the normal course of business as a result of delays arising in the clearing and settlement of commercial brokerage transactions, subject to any such commercial brokerage transaction not having been outstanding for a period exceeding 10 business days from (and including) the original settlement date in respect of such commercial brokerage transaction, and (ii) any guarantee or indemnity of any such indebtedness; and

Subsidiary means, in relation to an entity, any company which is for the time being a subsidiary (within the meaning of section 736 of the Companies Act 1985 (as amended or re-enacted from time to time)) of such entity.

(d) Certifications

A report by two Directors:

- (i) of ICAP that in their opinion a Subsidiary is or is not or was or was not at any particular time or throughout any specified period a Principal Subsidiary;
- (ii) of ICAP (or, where the Issuer is ICAP, IGHP) as to the amount of any EBITDA, Group Consolidated EBITDA or IGHP Group Consolidated EBITDA; or
- (iii) of ICAP (or, where the Issuer is ICAP, IGHP) as to the percentage contained in Condition 4(b) above (or as to any other figure required for any other purpose in connection with the Conditions or the Trust Deed (unless expressly otherwise stated)),

may, in any case, be relied upon by the Trustee without further enquiry or evidence and, if relied upon by the Trustee, shall, in the absence of manifest error, be conclusive and binding on all parties.

5. Interest

(a) Interest on Fixed Rate Notes

(i) Interest Payment Dates

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 a 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 sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising 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 5(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.

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.

(ii) *Step-up rate of interest*

If this Condition 5(a)(ii) is specified as applicable in the applicable Final Terms, the Rate of Interest will be the Initial Rate of Interest specified in the applicable Final Terms. The Initial Rate of Interest shall be subject to adjustment (each such adjustment, a **Rate Adjustment**) in the event of a Step-up Rating Change (if any) or a subsequent Step-down Rating Change (if any), as the case may be, in accordance with the following provisions. Any Rate Adjustment shall apply in respect of the Fixed Interest Period commencing on the Interest Payment Date falling on or immediately following the date of the relevant Step-up Rating Change or Step-down Rating Change, as the case may be, until either a further Rate Adjustment becomes effective or the date of redemption, as the case may be.

For any Fixed Interest Period commencing on or after the first Interest Payment Date immediately following the date of a Step-up Rating Change, if any, the Rate of Interest shall be increased by the Step-up Margin specified in the applicable Final Terms.

In the event that a Step-down Rating Change occurs after the date of a Step-up Rating Change (or on the same date but subsequent thereto), then for any Fixed Interest Period commencing on the first Interest Payment Date following the date of such Step-down Rating Change, the Rate of Interest shall be the Initial Rate of Interest.

The Issuer shall use all reasonable efforts to maintain credit ratings for Senior Notes issued, or to be issued, by it from both Rating Agencies (as defined in Condition 7(d)(2)(A)). In the event that either Rating Agency fails to or ceases to assign a rating to Senior Notes issued, or to be issued, by the Issuer, the Issuer shall use all reasonable efforts to obtain a rating of Senior Notes issued, or to be issued, by it from a Substitute Rating Agency (as defined in Condition 7(d)(2)(A)), and references in this Condition 5(a)(ii) to Moody's or Fitch (each as defined in Condition 7(d)(2)(A)), as the case may be, or the ratings thereof, shall be to such Substitute Rating Agency or, as the case may be, the equivalent

ratings thereof. In the event that such a rating is not obtained from a Substitute Rating Agency, then, for the purposes of the foregoing adjustments to the Rate of Interest, the ratings assigned by the remaining Rating Agency shall be deemed also to be the ratings assigned by the other Rating Agency.

In the event that both Rating Agencies fail to or cease to assign a rating to Senior Notes issued, or to be issued, by the Issuer and the Issuer fails to obtain a rating of Senior Notes issued, or to be issued, by it from a Substitute Rating Agency, a Step-up Rating Change will be deemed to have occurred on the date of such failure but not otherwise. If a rating of Senior Notes issued, or to be issued, by the Issuer is subsequently assigned by one or more Rating Agencies or a Substitute Rating Agency, then if such rating (or ratings if more than one) is at least *Baa3*, in the case of Moody's, or at least *BBB-*, in the case of Fitch, or the equivalent ratings in the case of a Substitute Rating Agency, a Step-down Rating Change will be deemed to have occurred on the date of such assignment.

The Rate of Interest will only be subject to adjustment due to a Step-up Rating Change or a deemed Step-up Rating Change as provided above upon the first occurrence on or after the Interest Commencement Date of a Step-up Rating Change and may occur only once. An adjustment to the Rate of Interest following the occurrence of a Step-down Rating Change or a deemed Step-down Rating Change as provided above may only occur once and, in any event, only after the occurrence of the Step-up Rating Change.

The Issuer shall cause each Rating Change (if any) and the applicable Rate of Interest to be notified to the Principal Paying Agent, the Trustee, any stock exchange on which the relevant Notes are for the time being listed and the Noteholders (in accordance with Condition 14) as soon as practicable after such Rating Change.

In the Conditions:

Rating Change means a Step-up Rating Change and/or a Step-down Rating Change;

Step-down Rating Change means, subject as provided above in relation to a deemed Step-down Rating Change, the first public announcement after a Step-up Rating Change by both Rating Agencies of an increase in, or confirmation of, the rating of Senior Notes issued, or to be issued, by the Issuer to at least *Baa3*, in the case of Moody's, and to at least *BBB-*, in the case of Fitch. For the avoidance of doubt, any further increases in the credit rating of Senior Notes issued, or to be issued, by the Issuer above *Baa3*, in the case of Moody's, or above *BBB-*, in the case of Fitch, shall not constitute a Step-down Rating Change; and

Step-up Rating Change means, subject as provided above in relation to a deemed Step-up Rating Change, the first public announcement by either or both Rating Agencies of a decrease in the rating of Senior Notes issued, or to be issued, by the Issuer to below *Baa3*, in the case of Moody's, or below *BBB-*, in the case of Fitch. For the avoidance of doubt, any further decrease in the credit rating of Senior Notes issued, or to be issued, by the Issuer below *Baa3*, in the case of Moody's, or below *BBB-*, in the case of Fitch, shall not constitute a Step-up Rating Change.

(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 on 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 5(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 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, 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 (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET 2) System (the **TARGET System**) is open.

(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.

(iii) *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.

(iv) *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 sub-unit 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 comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note

shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising 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 5(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 (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) 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:

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

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

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

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

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 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 Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ 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:

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

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

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

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

“D₁” is the first calendar day, expressed as a number, of the Interest 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 Interest Period, unless such number would be 31, in which case D₂ 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:

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

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

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

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

“D₁” 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 D₁ will be 30; and

“D₂” 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 D₂ will be 30.

(v) *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 the Issuer, the Guarantor (if applicable), the Trustee and any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed or admitted to trading and notice thereof to be published in accordance with Condition 14 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 14. 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.

(vi) *Determination or Calculation by Trustee*

If for any reason at any relevant time the Principal Paying Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest or the Principal Paying Agent defaults in its obligation to calculate any Interest Amount in accordance with subparagraph (ii)(A) or subparagraph (ii)(B) above or as otherwise specified in the applicable Final Terms, as the case may be, and in each case in accordance with paragraph (iv) above, the Trustee shall determine (or shall appoint, at the expense of the Issuer (failing which, the Guarantor (if applicable)), an expert to determine) the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Principal Paying Agent or the Calculation Agent, as applicable.

(vii) *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 5(b), whether by the Principal Paying Agent or, if applicable, the Calculation Agent or the Trustee (or an expert appointed by it), shall (in the absence of wilful default, bad faith or manifest error) be binding on the

Issuer, the Guarantor (if applicable), the Principal Paying Agent, the Calculation Agent (if applicable), the other Agents, the Trustee and all Noteholders, Receiptholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Guarantor (if applicable), the Noteholders, the Receiptholders or the Couponholders shall attach to the Principal Paying Agent or, if applicable, the Calculation Agent or the Trustee (or an expert appointed by it) in connection with the exercise or non exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) 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.

(d) 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.

(e) Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided for by Clause 2.2 of the Trust Deed.

6. Payments

(a) Method of payment

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese yen to a non resident of Japan, will be a non resident account) 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 Sydney and Auckland, respectively); and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases, but without prejudice to the provisions of Condition 8, to (i) any fiscal or other laws and regulations applicable thereto in the place of payment and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

(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 paragraph (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 and its possessions)).

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 paragraph (a) above only 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 paragraph (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 Issuer or the Guarantor (if applicable). 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 Fixed Rate Notes to which Condition 5(a)(ii) applies, 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 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) 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 Fixed Rate Note to which Condition 5(a)(ii) applies, 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 Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant Global Note, where applicable, against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made distinguishing between any payment of principal and any payment of interest, will be made on such Global Note either by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

(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 a holder does not have a Designated Account, payment 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, will be a non resident account) 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) 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 Sydney and Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note (whether or not in global form) 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 (i) where in global form, at the close of the business day (being for this purpose any day other than (i) Saturdays and Sundays and (ii) 1 January and 25 December) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (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. 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.

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

None of the Issuer, the Guarantor (if applicable), the Trustee and 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 the Issuer and the Guarantor (if applicable) will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for his share of each payment so made by the Issuer or the Guarantor (if applicable) to, 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 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 the Issuer, adverse tax consequences to the Issuer or the Guarantor (if applicable).

(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 9) 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) in the case of Bearer Notes in definitive form only, the relevant place of presentation; and
 - (B) any Additional Financial Centre specified in the applicable Final Terms;
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, 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 (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET System is open; and
- (iii) in the case of any payment in respect of a Registered Global Note denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Registered Global Note) has elected to receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

(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 8 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7(e)); and
- (vii) any premium and any other amounts (other than interest) which may be payable by the 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 8 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

7. 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 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 be redeemed at the option of the 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 Trustee and the Principal Paying Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately before the giving of such notice that:

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 or, in the case of Senior Notes issued by ICAP, the Guarantor would be unable for any reasons outside its control to procure payment by the Issuer and in making payment itself would be obliged to pay such additional amounts, in each case as a result of any change, or proposed change, in, or amendment, or proposed amendment, to, the laws or regulations of the United Kingdom or any change in the application or official interpretation of such laws or regulations including a holding by a court of competent jurisdiction, whether or not having retrospective effect, 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 the Issuer or, in the case of Senior Notes issued by ICAP, the Guarantor taking reasonable measures available to it,

provided that (I) before the fifth anniversary of their Issue Date, Dated Subordinated Notes may only be redeemed pursuant to this Condition 7(b) in accordance with Condition 7(k) and (II) no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer 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 Issuer or, as the case may be, the Guarantor (in the case of Senior Notes issued by ICAP), shall deliver to the Trustee a certificate signed by two Directors of the Issuer or, as the case may be, two Directors of the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such additional amounts as a result of such change, or proposed change, or amendment, or proposed amendment, and the Trustee shall be entitled to accept the certificate and the opinion as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders, the Receiptholders and the Couponholders.

Notes redeemed pursuant to this Condition 7(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) above 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 Issuer may, having given:

- (i) not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14; and
- (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Trustee and 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, provided that, before the fifth anniversary of their Issue Date, Dated Subordinated Notes may only be redeemed pursuant to this Condition 7(c) in accordance with Condition 7(k). 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 (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and/or DTC, 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 14 not less than 15 days prior to the date fixed for redemption. 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 paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least five days prior to the Selection Date.

(d) Redemption at the option of the Noteholders

- (1) If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than 30 nor more than 60 days' notice the 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, provided that Dated Subordinated Notes may only be redeemed pursuant to this Condition 7(d)(1) after the fifth anniversary of their Issue Date. Registered Notes may be redeemed under this Condition 7(d)(1) in any multiple of their lowest Specified Denomination. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

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, Clearstream, Luxembourg and DTC, 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 the provisions of Condition 2(b). If this Note is in definitive form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

The Paying Agent or the Registrar, as the case may be, to which any Note in definitive form held outside Euroclear, Clearstream, Luxembourg and DTC and any Change of Control Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note so delivered.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear, Clearstream, Luxembourg or DTC, to exercise the right to require redemption of this Note pursuant to this Condition 7(d)(1) the holder of this Note must, within the notice period, give notice to the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) of such exercise in accordance with the standard procedures of Euroclear, Clearstream, Luxembourg and DTC (which may include notice being given on his instruction by Euroclear, Clearstream, Luxembourg, DTC or any depositary for them to the Principal Paying Agent or, as the case may be, the Registrar by electronic means) in a form acceptable to Euroclear, Clearstream, Luxembourg and DTC from time to time.

- (2) In respect of Senior Notes only, if Change of Control Put is specified in the applicable Final Terms, this Condition 7(d)(2) shall apply.

(A) A **Put Event** will be deemed to occur if:

- (i) any person or any persons acting in concert (as defined in the United Kingdom's City Code on Takeovers and Mergers in force from time to time) or any person or persons acting on behalf of any such person(s) (the **Relevant Person**) at any time directly or indirectly own(s) or acquire(s): (A) more than 50 per cent. of the issued ordinary share capital of ICAP or (B) such number of shares in the capital of ICAP carrying more than 50 per cent. of the total voting rights attached to the issued share capital of ICAP that are normally exercisable on a poll vote at a general meeting of ICAP (such event being a **Change of Control**), provided that a Newco Scheme (as defined in Condition 10) shall not constitute a Change of Control; and
- (ii) on the date (the **Relevant Announcement Date**) that is the earlier of (x) the date of the first public announcement of the relevant Change of Control; and (y) the date of the earliest Relevant Potential Change of Control Announcement (if any), Senior Notes issued, or to be issued, by ICAP carry from either of Moody's Investors Service Limited (**Moody's**) or Fitch Ratings Ltd. (**Fitch**) or any of their respective successors or any other rating agency (each a **Substitute Rating Agency**) of equivalent international standing specified by the Issuer (each, a **Rating Agency**):

- (1) an investment grade credit rating (*Baa3/BBB-, or equivalent, or better*), and such rating from any Rating Agency is within the Change of Control Period either downgraded to a non-investment grade credit rating (*Ba1/BB+, or equivalent, or worse*) or withdrawn and is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to an investment grade credit rating by such Rating Agency; or
- (2) a non-investment grade credit rating (*Ba1/BB+, or equivalent, or worse*), and such rating from any Rating Agency is within the Change of Control Period downgraded by one or more notches (*for illustration, Ba1/BB+ to Ba2/BB being one notch*) or withdrawn and is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to its earlier credit rating or better by such Rating Agency; or
- (3) no credit rating from any Rating Agency and no Rating Agency assigns, within the Change of Control Period, at least an investment grade credit rating to Senior Notes issued, or to be issued, by ICAP,

provided that if on the Relevant Announcement Date Senior Notes issued, or to be issued, by ICAP carry a credit rating from more than one Rating Agency, at least one of which is investment grade, then sub-paragraph (1) will apply; and

- (iii) in making the relevant decision(s) referred to above, the relevant Rating Agency announces publicly or confirms in writing to the Issuer or the Trustee that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control or the Relevant Potential Change of Control Announcement. Upon receipt by the Issuer or the Trustee of any such written confirmation, the Issuer shall forthwith give notice of such written confirmation to the Noteholders in accordance with Condition 14.

If the rating designations employed by either of Moody's or Fitch are changed from those which are described in paragraph (ii) of the definition of "Put Event" above, or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine the rating designations of Moody's or Fitch or such Substitute Rating Agency (as appropriate) as are most equivalent to the prior rating designations of Moody's or Fitch and this Condition 7(d)(2) shall be read accordingly.

- (B) If a Put Event occurs, the holder of any Note will have the option to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) such Note on the Put Date (as defined below) at its Early Redemption Amount referred to in paragraph (e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption or purchase.
- (C) Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a **Put Event Notice**) to the Noteholders in accordance with Condition 14 specifying the nature of the Put Event and the procedure for exercising the option contained in this Condition 7(d)(2).
- (D) To exercise the right to require the redemption or purchase of this Note under this Condition 7(d)(2), the holder of this Note, must, if this Note is in definitive form and held outside Euroclear, Clearstream, Luxembourg and DTC, 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 period (the **Put Period**) of 45 days after a Put Event Notice is given, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent or, as the case may be, the Registrar (a **Change of Control Put Notice**).

If this Note is represented by a Global Note or is in definitive form and held through Euroclear, Clearstream, Luxembourg or DTC, to exercise the right to require redemption or purchase of this Note pursuant to this Condition 7(d)(2) the holder of this Note must, within the Put Period, give notice to the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) of such exercise in accordance with the standard procedures of Euroclear, Clearstream, Luxembourg and DTC (which may include notice being given on his instruction by Euroclear, Clearstream, Luxembourg, DTC or any depositary for them to the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) by electronic means) in a form acceptable to Euroclear, Clearstream, Luxembourg and DTC 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 (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) for notation accordingly.

If this Note is in definitive form, the Change of Control Put Notice must be accompanied by this Note and (in the case of a Bearer Note) all Coupons (if applicable) appertaining thereto maturing after the date which is fifteen days after the expiration of the Put Period (the **Put Date**), failing which the relevant Paying Agent will require payment of an amount equal to the face value of any such missing Coupon. Any amount so paid will be reimbursed to the Noteholder against presentation and surrender of the relevant missing Coupon (or any replacement therefor issued pursuant to Condition 11) at any time after such payment, but before the expiry of the period of five years from the Relevant Date (as defined in Condition 8) in respect of such Coupon, but not thereafter. In the case of Registered Notes, the Change of Control Put Notice shall specify 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 the provisions of Condition 2(b).

The Paying Agent or the Registrar, as the case may be, to which any Note in definitive form held outside Euroclear, Clearstream, Luxembourg and DTC and any Change of Control Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note so delivered.

Payment in respect of any Note so exercised will be made either (i) on the Put Date by transfer to the bank account (if any) specified in the relevant Change of Control Put Notice; or (ii) if no such bank account is so specified, on or after the Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Paying Agent (in the case of Bearer Notes) or any Paying Agent or the Registrar (in the case of Registered Notes). A Change of Control Put Notice, once given, shall be irrevocable. For the purposes of the Conditions, pending redemption or purchase of the relevant Notes non-transferable receipts issued pursuant to this Condition 7(d)(2)(C) shall be treated as if they were Notes. The Issuer shall redeem or, at its option, purchase (or procure the purchase of) the relevant Notes on the Put Date unless previously redeemed and cancelled or purchased.

If 80 per cent. or more in nominal amount of the Notes then outstanding have been redeemed pursuant to this Condition 7(d)(2), the Issuer may, on not less than 30 or more than 60 days' notice to the Noteholders given within 30 days after the Put Date, redeem or, at its option, purchase (or procure the purchase of) the remaining Notes as a whole at their Early Redemption Amount referred to in Condition 7(e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption or purchase.

(E) In the Conditions:

Change of Control Period means the period commencing on the Relevant Announcement Date and ending 90 days after the Change of Control (or such longer period for which Senior Notes issued, or to be issued, by ICAP are under consideration (such consideration having been announced publicly within the period ending 90 days after the Change of Control) for rating review or, as the case may be, rating by a Rating Agency, such period not to exceed 60 days after the public announcement of such consideration); and

Relevant Potential Change of Control Announcement means any public announcement or statement by ICAP, any actual or potential bidder or any advisor thereto relating to any potential Change of Control where within 180 days following the date of such announcement or statement, a Change of Control occurs.

(e) Early Redemption Amounts

For the purpose of paragraph (b) above and Condition 10, 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:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

RP means the Reference Price; and

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 paragraph (e) above.

(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

ICAP, IGHP or any other Subsidiary of ICAP may (subject, in the case of Dated Subordinated Notes, to the prior consent of, or notification to (and no objection being raised by) the FSA (as defined in Condition 7(k) if then required)) at any time purchase Notes (provided that, in the case of definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Notes so purchased may be held, reissued, resold or, at the option of ICAP or IGHP, surrendered to any Paying Agent and/or the Registrar 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 paragraph (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 paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent or the Registrar or the Trustee and notice to that effect has been given to the Noteholders in accordance with Condition 14.

(k) Redemption of Dated Subordinated Notes prior to fifth anniversary of issue

Dated Subordinated Notes may only be redeemed by the Issuer pursuant to Condition 7(b) or (c) prior to the fifth anniversary of their Issue Date provided that:

- (i) the Issuer has notified the United Kingdom Financial Services Authority (the **FSA**) of its intention to do so at least one month (or such other period, longer or shorter, as the FSA may then require or accept) prior to the date scheduled for redemption and no objection thereto has been raised by the FSA or (if required) the FSA has provided its consent thereto;
- (ii) both at the time when the notice of redemption is given and immediately following such redemption, the Issuer is or will be (as the case may be) in compliance with the regulations, requirements, guidelines and policies relating to capital adequacy then in effect of the FSA and applicable to the Issuer (except to the extent that the FSA no longer so requires); and
- (iii) the Issuer has delivered to the Trustee a certificate signed by two Directors of the Issuer to the effect that the provisions of (i) and (ii) above have been or (as the case may be) will be satisfied.

8. Taxation

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer or, as the case may be, 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 United Kingdom or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor 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 in the United Kingdom; or
- (b) the holder of which is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with the United Kingdom other than the mere holding of such Note, Receipt or Coupon; or
- (c) 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 6(f)); or
- (d) where such withholding or deduction is made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (e) 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 other than the United Kingdom or by making a declaration of non-residence or other similar claim for exemption to the relevant tax authorities.

As used herein 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 Trustee or the Principal Paying Agent or the Registrar, as the case may be, 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 14.

9. Prescription

The Notes (whether in bearer or registered form), Receipts and Coupons will become void unless claims in respect of principal and/or interest are 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 8) 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 6(b) or any Talon which would be void pursuant to Condition 6(b).

10. Events of Default and Enforcement

(a) Events of Default relating to Senior Notes

This Condition 10(a) shall only apply to Senior Notes and references to Notes, Noteholders, Receipts, Receiptholders, Coupons and Couponholders shall be construed accordingly.

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), (but in the case of the happening of any of the events described in paragraphs (iii) to (viii) inclusive below (other than, in the case of paragraph (v), the winding up or dissolution of the Issuer or the Guarantor), only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders), give notice in writing to the Issuer that each Note is, and each Note shall thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest (if any) as provided in the Trust Deed if any of the following events (each an **Event of Default**) shall occur and be continuing:

- (i) 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 7 or more days in the case of principal and 14 or more days in the case of interest; or
- (ii) the Issuer or the Guarantor (if applicable) fails to perform or observe its obligation under Condition 4(b);
- (iii) the Issuer or the Guarantor (if applicable) fails to perform or observe any of its other obligations under the Conditions or the Trust Deed (other than those referred to in paragraphs (i) and (ii) above) and (except in any case where, in the opinion of the Trustee, 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 the Trustee on the Issuer or the Guarantor (if applicable), as the case may be, of notice requiring the same to be remedied; or
- (iv) (A) any Indebtedness for Borrowed Money of the Issuer, the Guarantor (if applicable) or any of the Principal Subsidiaries is declared due and repayable prematurely by reason of an event of default (however described);
(B) the Issuer, the Guarantor (if applicable) or any of the Principal Subsidiaries fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment as extended by any originally applicable grace period;
(C) any security given by the Issuer, the Guarantor (if applicable) or any of the Principal Subsidiaries for any Indebtedness for Borrowed Money becomes enforceable and steps are taken to enforce the same; or
(D) default is made by the Issuer, the Guarantor (if applicable) or any of the Principal Subsidiaries in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person, in each case as extended by any applicable grace period,

other than, in each of the scenarios listed in (A) to (D) (inclusive) of this Condition 10(a)(iv), any Indebtedness for Borrowed Money which becomes prematurely due and payable or is placed on demand as a result of an event of illegality (howsoever described) under the document relating to that Indebtedness for Borrowed Money provided that such Indebtedness for Borrowed Money is paid in full within five Business Days of becoming due and payable or a demand for payment being made after such Indebtedness for Borrowed Money is placed on demand) and provided further that the amount of Indebtedness for Borrowed Money referred to in (A) and/or (B) and/or (C) and/or (D) above individually or in the aggregate exceeds £25,000,000 (or its equivalent in any other currency or currencies); or

- (v) any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer, the Guarantor (if applicable) or any of the Principal Subsidiaries, save in the case of a Principal Subsidiary only, for the purposes of a solvent reorganisation, reconstruction or amalgamation or, in the case of ICAP only, for the purposes of a Newco Scheme; or
- (vi) the Issuer, the Guarantor (if applicable) or any of the Principal Subsidiaries ceases to carry on the whole or a substantial part of its business, save, in the case of a Principal Subsidiary only, (i) for the

purposes of a solvent reorganisation, reconstruction or amalgamation or (ii) where such cessation arises as a result of a sale of its assets at a fair market value and on an arm's length basis, or the Issuer, the Guarantor (if applicable) or any of the Principal Subsidiaries stops payment of, or is unable to, or admits inability to, pay, all of its debts (or any class of its debts) as they fall due, or is deemed unable to pay all of its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or

- (vii)(A) proceedings are initiated against the Issuer, the Guarantor (if applicable) or any of the Principal Subsidiaries under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer, the Guarantor (if applicable) or any of the Principal Subsidiaries or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them, or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them and (B) in any case (other than the appointment of an administrator) is not discharged or stayed within 60 days; or
- (viii) the Issuer, the Guarantor (if applicable) or any of the Principal Subsidiaries initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (ix) in the case of Senior Notes issued by ICAP only, the Guarantee ceases to be, or is claimed by the Issuer or the Guarantor not to be, in full force in effect, other than pursuant to the provisions of Condition 3(c).

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer and/or the Guarantor (if applicable) as it may think fit to enforce the provisions of the Trust Deed, the Notes, the Receipts and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes, the Receipts or the Coupons unless (i) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the Noteholders of at least one-fifth in nominal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantor (if applicable) unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

(b) Definitions

For the purposes of the Conditions:

Indebtedness for Borrowed Money means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities or any borrowed money or any liability under or in respect of any acceptance or acceptance credit but excluding, in all cases, (i) any indebtedness owed by one member of the Group to another member of the Group and (ii) any borrowings arising in the normal course of business as a result of delays arising in the clearing and settlement of commercial brokerage transactions, subject to any such commercial brokerage transaction not having been outstanding for a period exceeding 10 business days from (and including) the original settlement date in respect of such commercial brokerage transaction; and

Newco Scheme means a scheme of arrangement which effects the interposition of a limited liability company (**Newco**) between the shareholders of ICAP immediately prior to the scheme of arrangement (the **Existing Shareholders**) and ICAP, provided that only ordinary shares of Newco are issued to Existing Shareholders and that immediately after completion of the scheme of arrangement, the only shareholders of Newco are the Existing Shareholders and that all Subsidiaries of ICAP immediately prior to the scheme of arrangement (other than Newco, if Newco is then a Subsidiary of ICAP) are Subsidiaries of ICAP (or of Newco) immediately after the scheme of arrangement.

(c) Events of Default relating to Dated Subordinated Notes

This Condition 10(c) shall apply only to Dated Subordinated Notes and references to Notes, Noteholders, Coupons, Couponholders, Receipts and Receiptholders shall be construed accordingly.

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-fifth of the nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), give notice in writing to the Issuer that each Note is, and each Note shall thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest (if any) as provided in the Trust Deed if any of the following events (each, an **Event of Default**) shall occur and be continuing:

- (i) 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 7 or more days in the case of principal and 14 or more days in the case of interest; or
- (ii) the winding-up or dissolution of the Issuer is commenced (other than a winding-up or dissolution which has been approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders).

If the Notes become immediately due and repayable, the Trustee may, at its discretion and without further notice, institute proceedings for the winding-up of the Issuer in England (but not elsewhere) and prove in such winding-up, provided that no repayment of principal or payment of any accrued interest in respect of the Notes may be made by the Issuer pursuant to this Condition, nor will the Trustee accept the same, otherwise than during or after a winding-up or dissolution of the Issuer.

Without prejudice to the other rights of the Trustee in this paragraph (c), the Trustee may at any time, at its discretion, and without further notice, institute such proceedings (other than proceedings for the winding-up of the Issuer) against the Issuer as it may think fit to enforce any obligation, condition or provision binding on the Issuer under the Trust Deed, the Notes, the Receipts or the Coupons (other than any obligations for the payment of any principal or interest in respect of the Notes or the Receipts or the Coupons), provided that the Issuer shall not as a consequence of such proceedings be obliged to pay any sum or sums representing or measured by reference to principal in respect of the Notes sooner than the same would otherwise be payable by it.

The Trustee shall not be bound to take any of the actions referred to above to enforce the obligations of the Issuer under the Trust Deed and the Notes, the Receipts and the Coupons or any other action under the Trust Deed unless (i) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by Noteholders holding at least one-fifth in nominal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period of time and such failure is continuing, in which case the Noteholder, Receiptholder or Couponholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise. No Noteholder, Receiptholder or Couponholder shall be entitled to institute proceedings for the winding-up of the Issuer, or to prove in any winding-up of the Issuer, unless the Trustee, having become bound to proceed against the Issuer as aforesaid, fails to do so within a reasonable period of time or, being able to prove in any winding-up of the Issuer, fails to do so within a reasonable period of time, in which event any such holder may, on giving an indemnity satisfactory to the Trustee, in the name of the Trustee (but not otherwise), himself institute proceedings for the winding-up in England (but not elsewhere) of the Issuer and/or prove in any winding-up of the Issuer to the same extent (but not further or otherwise) that the Trustee would have been entitled so to do in respect of the Notes, Receipts and Coupons held by him. No remedy against the Issuer, other than the institution of proceedings for the winding-up in England of the Issuer and/or the proving or claiming in the winding-up of the Issuer, shall be available to the Trustee or the Noteholders, Receiptholders, or Couponholders for the recovery of amounts owing in respect of the Notes, Receipts or Coupons or under the Trust Deed.

11. 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 Issuer may reasonably

require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12. Agents

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

The Issuer is entitled, with the prior written approval of the Trustee, 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 a Principal Paying Agent and a Registrar;
- (b) so long as the Notes are listed on any stock exchange or admitted to trading by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) 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;
- (c) so long as any of the Registered Global Notes payable in a Specified Currency other than U.S. dollars are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City;
- (d) there will at all times be a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; and
- (e) there will at all times be a Paying Agent in a jurisdiction within continental Europe, other than the United Kingdom.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6(e). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency or of a Paying Agent that is a foreign financial institution failing to become or ceasing to be a “participating foreign financial institution” for the purposes of the Code, 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 14.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and the Guarantor (if applicable) and, in certain circumstances specified therein, of the Trustee 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 agent.

13. 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 9.

14. Notices

All notices regarding the Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any 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 all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

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 and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another

relevant authority, such notice will be published in a manner which complies with the rules of that stock exchange or relevant authority.

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 and/or DTC, be substituted for such publication in such newspaper(s), or such delivery by mail, the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or DTC 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, such notice will be published in a manner which complies with the rules of that stock exchange or relevant authority. Any such notice shall be deemed to have been given to the holders of the Notes on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or DTC.

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 or the Registrar through Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, may approve for this purpose.

15. Meetings of Noteholders, Modification, Waiver and Substitution

The Trust Deed 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 Trust Deed. Such a meeting may be convened by the Issuer, the Guarantor (if applicable) or the Trustee or 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 more 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 or the Trust Deed (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 Trust Deed provides that a written resolution signed by or on behalf of the holders of not less than 90 per cent. of the aggregate principal amount of Notes for the time being outstanding shall be as valid and effective as a duly passed Extraordinary Resolution of the Noteholders.

The Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error or an error which, in the opinion of the Trustee, is proven. Any such modification, waiver, authorisation or determination and any substitution as referred to below shall be binding on the Noteholders, the Receiptholders and the Couponholders and (unless the Trustee otherwise agrees) any such modification, waiver, authorisation, determination or substitution shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders, Receiptholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders, Receiptholders or Couponholders (whatever their number) resulting from their being for

any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholder or Couponholder be entitled to claim, from the Issuer, the Guarantor (if applicable), the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders, Receiptholders or Couponholders except to the extent already provided for in Condition 8 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 8 pursuant to the Trust Deed.

The Trustee may, without the consent of the Noteholders, Receiptholders or Couponholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes, the Receipts, the Coupons and the Trust Deed of another company subject to (a) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution and (b) certain other conditions set out in the Trust Deed being complied with. Any substitution of the Issuer in accordance with the provisions of this Condition 15 and the relevant provisions of the Trust Deed shall not constitute an Event of Default.

NB: In relation to the Dated Subordinated Notes, for so long as the FSA requires it, no modification, waiver, determination or substitution will be made to the Conditions unless at least one month before the modification, waiver, determination or substitution is to take effect, the Issuer has given the FSA notice in writing (in the form required by the FSA) of the proposed modification, waiver, determination or substitution and the FSA has not objected to such modification, waiver, determination or substitution.

16. Indemnification of the Trustee and Trustee Contracting with, *inter alios*, ICAP and IGHP

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or the Guarantor (if applicable) and/or any of ICAP's other Subsidiaries and/or any entity related to ICAP or any of its Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or the Guarantor (if applicable) and/or any of ICAP's other Subsidiaries and/or any entity related to ICAP or any of its other Subsidiaries, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders, Receiptholders or Couponholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

17. Further Issues

The 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.

18. 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.

19. Governing Law

The Trust Deed, the Agency Agreement, the Notes, the Receipts and the Coupons (and any non-contractual obligations arising therefrom or in connection therewith) shall be governed by, and construed in accordance with, English law.

Use of Proceeds

The net proceeds from each issue of Notes will be applied by the relevant Issuer for its general corporate purposes. 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 the Obligors

Introduction

ICAP, through its subsidiaries, provides intermediary broking services to the global wholesale financial markets where it acts as an interdealer broker (**IDB**), essentially matching buyers and sellers in the global financial markets, and provides a source of global market information and financial markets commentary. The Group intermediates an average daily transaction volume of \$1.4 trillion on behalf of its customers. The Group employs in excess of 5,100 staff.

ICAP was incorporated and registered in England and Wales on 3 August 1998 as a public limited company under the Companies Act 1985 with registered number 03611426 and name CAPITALRETURN plc. On 5 August 1998 it changed its name to Garban plc, which was subsequently demerged from United Business Media plc (**UBM**). Exco plc acquired the wholesale broking operations of IPGL Limited by means of a reverse take-over in October 1998 and changed its name to Intercapital plc. In 1999 Garban plc merged with Intercapital plc and changed its name to Garban-Intercapital plc on 9 September 1999. On 25 July 2001 it changed its name to ICAP plc.

ICAP Group Holdings plc (**IGHP**) was registered in England and Wales on 10 September 2008 as a private limited company under the Companies Act 1985 with registered number 6694512 and subsequently changed its status to a public limited company on 29 June 2009. As at the date of this Prospectus, IGHP had paid-up ordinary share capital of £233,478,001, consisting of 233,478,001 shares of £1 each.

The Group's head office, together with the registered office of ICAP and IGHP, is 2 Broadgate, London EC2M 7UR, telephone number +44 (0) 20 7000 5000.

Activities

The Group's business involves the provision of specialist broking services to trading professionals in the global wholesale financial markets across a broad range of over the counter (**OTC**) and exchange listed financial products and services in interest rates, foreign exchange, commodities (including shipping), emerging markets, credit and equity markets and also provides its customer base with access to post-trade services, data and market commentary. The Group strives to add value to its customers by (i) improving price discovery and transparency, (ii) providing, where applicable, anonymity and confidentiality, (iii) facilitating information flow, and (iv) enhancing liquidity.

The Group has successfully built its voice broking business whilst at the same time establishing the largest electronic broking network in its industry. The Group has been at the forefront of the industry's move to electronic broking platforms, with the operational leverage and operating margin benefits this provides. In many markets that have moved to an electronic trading platform, trading has concentrated on two or three interdealer brokers, thereby benefiting the larger players in the industry who have the scale and infrastructure to compete.

Recent years have seen increased focus by global regulatory authorities to ensure that the infrastructure behind the OTC markets is robust. Through the provision of post-trade processing, portfolio compression and reconciliation and risk management services, through its subsidiaries Traiana Inc. (Traiana) and Reset PTE Limited (Reset) and TriOptima AB (TriOptima), the Group is well positioned to respond to its customers' demands, to improve the efficiency of post-trade processing and reduce the capital allocated to existing positions.

As an IDB, the Group provides brokerage services to its customers primarily in the form of agency transactions (also known as "name give-up"), matched principal transactions or as an executing broker on an exchange. In name give-up transactions, the Group connects buyers and sellers and may assist in the negotiation of the price and other material terms of the transaction. At the point at which the parties agree to terms, the Group leaves the buyer and the seller to clear and settle directly with one another through the appropriate market mechanism.

Where the Group acts as an executing broker, either via its own membership or via a third party, in relation to exchange traded products, the Group executes customer orders on an exchange, which are subsequently given up in line with market practice to the customer's account maintained by a clearing broker. In the event that the clearing broker fails to take up the position traded, this could leave the Group with a position which would then be liquidated in accordance with its policy.

In matched principal transactions, the Group acts as an intermediary by serving as counterparty for identified buyers and sellers in matching, in whole or in part, reciprocal back-to-back trades. In order to facilitate customer transactions and provide liquidity, the Group may participate in certain marketplaces by posting quotations. Sometimes, the act of posting quotations may result in having the Group act as principal on unmatched trades. In such a situation, the Group's policy is to liquidate or hedge and liquidate these principal positions as soon as reasonably practicable. Only a very small proportion of the Group's transactions result in any exposure to market risk and compliance with the Group's policies is monitored by the risk and compliance functions and by senior management. The Group is restricted from taking proprietary trading positions under the terms of the FSA investment firm consolidation waiver.

The Group serves a number of different product markets across the Americas, Europe and Asia Pacific regions: these include interest rates, foreign exchange, commodities, emerging markets, credit and equities. The breakdown of the Group's revenues by market and operating profits by division is set out below.

Market	Revenue (£m) (as at 31 March 2012)	Revenue (£m) (as at 31 March 2011)
Rates	681	704
Foreign Exchange	343	336
Commodities	203	211
Emerging Markets	167	171
Credit	154	182
Equities	133	137
Total	1,681	1,741

Division / Region	Operating Profit ¹ (£m) (as at 31 March 2012)	Operating Profit ¹ (£m) (as at 31 March 2011)
Voice - EMEA	106	113
Americas	42	66
Asia Pacific	6	(5)
Electronic	127	122
Post trade risk and information	91	79
Total	372	375

As with all businesses, risk is inherent in the Group's businesses and the effective identification, monitoring and management of risk are seen as essential factors in the Group's overall performance. The business model, in which the Group does not deliberately or systematically expose itself to material market risk, exposes the Group to limited market risk and as a result of the Group's highly diversified customer base (which includes the world's leading commercial and investment banks), credit risk can also be viewed as low.

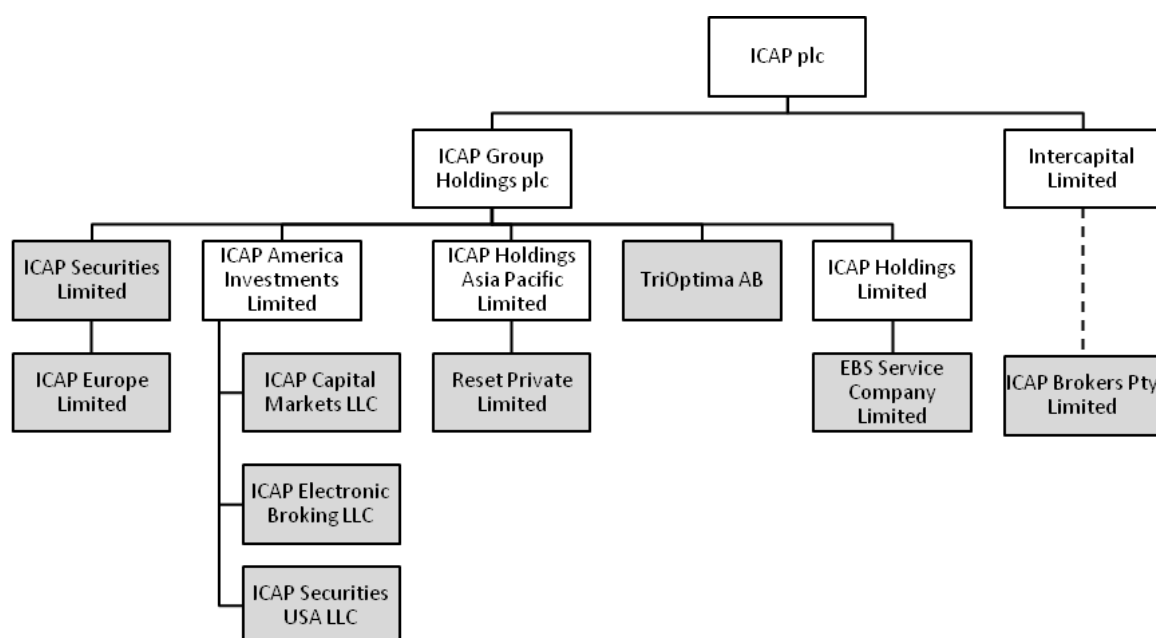
The ordinary share capital of ICAP is traded on the London Stock Exchange and ICAP had a market capitalisation of approximately £2.4 billion, as of 22 June 2012. ICAP owns 100% of the ordinary share capital of IGHP either directly or indirectly. ICAP joined the FTSE 100 index on 30 June 2006.

Group Structure

The Group operates globally through a large number of subsidiaries, of which the principal subsidiaries (those which contributed more than 5% of Group EBITDA during the year ended 31 March 2012) are set out in the abbreviated organisation chart below².

¹ Before acquisition and disposal costs and exceptional items.

² A single £1 ordinary share of IGHP is owned by Intercapital Limited, with the remaining 233,478,000 shares owned by ICAP plc. The organisational chart is not complete and displays only the principal subsidiaries of the Issuers and their ultimate holding companies. Dotted lines indicate indirect subsidiary relationships.



IGHP was incorporated on 10 September 2008 as a wholly owned subsidiary of ICAP. IGHP indirectly owns the majority of the Group's trading subsidiaries in the United Kingdom and North America, together with certain electronic and post-trade businesses, and these account for the majority of the Group's EBITDA as at 31 March 2012.

At 31 March 2012, the Group employed more than 5,100 staff worldwide; with more than 2,300 broking staff. The Group has a strong presence in each of the three major financial markets; London, New York and Tokyo. At 31 March 2012, in excess of 1,500 members of staff were employed in EMEA, over 1,700 in Americas, over 800 in Asia Pacific, over 500 in Electronic and the remainder in Post trade risk and information.

Capital Structure

The Group seeks to ensure that it has constant access, even in periods of corporate or market turmoil, to an appropriate level of cash, other forms of marketable securities and committed funding lines to enable it to finance its ongoing operations, proposed acquisitions and other contingencies on cost-effective terms.

To provide protection against unexpected events the Group maintains minimum core liquidity, in the form of cash and undrawn debt facilities, of \$250m / £156 million.

At 31 March 2012, the Group was financed through a combination of \$193 million guaranteed subordinated loan notes issued to US private placement investors and due 2015, a \$880 million revolving credit facility dated 4 May 2010 incorporating a \$200 million swingline element and maturing in 2013, a €300 million Fixed Rate Note issued under the Programme in 2009 and due in 2014, along with a number of small operational lines which are short-term in nature, uncommitted and used by the Group's trading subsidiaries for local settlement and working capital purposes. On 20 April 2012, the revolving credit facility was extended by one year so that it matures on 31 May 2014.

ICAP also has in place a £500m Euro Commercial Paper programme to provide access to short-term liquidity as an alternative mechanism to finance the Group's working capital and margin requirements. At 31 March 2012, £21m had been drawn-down under this programme.

Intercapital Limited remains as the issuer of the Group's \$193 million guaranteed subordinated loan notes due 2015. Intercapital's obligations in respect of the loan notes are guaranteed on a subordinated basis by ICAP.

Both ICAP and IGHP are rated by Fitch Ratings Limited and Moody's Investor Services Inc. At 22 June 2012, the long-term ratings for Senior Notes issued under the Programme were BBB+ / Baa2 respectively. Each of Fitch Ratings Limited and Moody's Investor Services Inc. is established in the EEA and registered under Regulation (EU) No. 1060 2009, as amended.

Group Strategy

The Group aims to be the infrastructure provider to the world's wholesale financial markets, in both execution and post trade. These aims are achieved through delivering a broad and innovative service offering and through

the optimisation of people, systems and processes. In so doing, the Group will achieve superior shareholder returns and a leading market position. These are goals which the Group pursues through a mix of organic growth, product innovation, continued migration of product from voice to electronic, selective acquisitions and further geographical diversification into emerging markets and new sectors.

Significant steps have been taken towards implementing this strategy over the last year, most notably:

- ICAP created a global financial futures and options team, hiring 31 employees in London, New York, Chicago and Sydney, significantly enhancing the execution brokerage offering.
- ICAP has a history of partnering with its customers. In November 2011 four of the world's largest swaps dealers (Barclays Capital, Bank of America Merrill Lynch, Deutsche Bank and J.P. Morgan) agreed to co-invest in iSwap Euro Limited, which operates the Group's electronic interest rate swaps platform.
- In the voice business, the Group made some small but important acquisitions, Island Shipbrokers in Singapore and Sun Commodities, a leading broker of European biofuels, to complement existing businesses. As a result of the acquisition of Island shipbrokers, the Group has acquired a further interest in CTI Shipbrokers (India) resulting in the company becoming a subsidiary rather than an associate.
- As the Group's customers prepare for the new regulatory environment, the Group has introduced screen-based trading platforms for interest rate options (DerivX) and equity derivatives (iLinked), which are supported by the established voice service.
- In April 2012, ICAP completed the roll out of a major upgrade of its fixed income electronic broking platform, BrokerTec, which improved its performance significantly.
- The Group continued to invest in emerging markets and asset classes that it believes have significant potential. For example, offshore renminbi (CNH) will become increasingly important for international trade and investment as China moves towards a fully convertible currency. ICAP's investment in both voice and electronic broking of CNH allowed the Group to capture market share in what is a fast-growing market.
- In Japan, the Group sold its Japanese government bond business to Central Totan Securities Co Limited and simultaneously purchased a 20% shareholding in the combined business. At the same time, the Group also increased its holding in Totan ICAP Co Limited, a leading interest rate derivatives broker.
- The Group offered more services in new asset classes in addition to creating infrastructure support in existing ones, such as Traiana's comprehensive FX clearing solution. The Group also added complementary services that work in conjunction with clearing to reduce customer and systemic risk.
- On 18 May 2012, the Group announced that it had agreed to acquire PLUS Stock Exchange plc (PLUS), the smaller company equity exchange. PLUS is one of only five RIEs (Recognised Investment Exchange) in the UK. It provides listing and quoting services to around 140 companies and generates revenue of approximately £3 million a year. However, the business is presently loss making. The transaction was approved by the shareholders of PLUS Markets Group plc on 18 June and remains subject to FSA approval. The consideration for the acquisition will be £500,000.

The table below highlights the Group's significant acquisitions over the last ten years. The Group has also completed a number of smaller acquisitions during the same period.

Significant Acquisitions

Year	Company	Description
2008	Link Asset and Securities Co Ltd	Global equity derivatives broker
2008	Capital Shipbrokers Ltd	Shipbroking and related services to the shipping industry
2007	Traiana Inc	Provider of automated post-trade processing services to financial institutions
2007	JE Hyde & Co Limited	Shipbroking and related services to the shipping industry
2006	EBS Group Limited	Provider of foreign exchange trading and market data solutions to the professional spot foreign exchange community
2006	Reset Pte Limited	Post-trade services – electronic matching of interest rate swaps
2005	United Fuels International, Inc.	US based energy and commodity broker
2003	BrokerTec (Europe & USA)	Electronic broker of fixed income securities
2002	APB (now ICAP Energy)	Energy and commodity broker in the US and Europe
2002	First Brokers Securities Inc.	New York IDB in US dollar denominated corporate debt

Divisions

The Group's operations can be segmented on a divisional basis: Voice, Electronic and Information. Different products may be covered by one or more divisions, although as a general rule the more liquid and widely-traded the product the more suitable it is for being traded on an electronic platform.

Voice

Voice broking still remains the largest part of the Group's business, accounting for 41% of operating profit³ in the financial year ended 31 March 2012.

The Group's voice strategy is to extend its hybrid capabilities further, to invest in growth markets and seize opportunities as they arise, to expand market share in products where it is not the leader, and to maintain its market share where it is the leader. Hybrid broking provides traders with the ability to enter orders electronically and execute trades directly, or to engage the services of a voice broker to do so on their behalf. This flexibility of execution method is a hallmark of the Group's service to the capital markets. By providing market participants with execution methods that range from fully automated to hybrid trading, supported by the skills of a voice broker, the Group delivers a service customised to the market to deliver optimal liquidity profiles. The Group has steadily migrated its products on to its hybrid broking platforms and, in most cases, has done so ahead of the regulatory requirements. As a result, the Group is well positioned to provide a full complement of hybrid trading systems.

In 2011/12, voice revenue fell across all geographic regions, with the Americas seeing a 10% fall, as the credit and rates markets suffered from reductions in volumes. This fall was partially offset by a good performance from the energy business. A 36% fall in operating profit was principally due to a decline in revenue. Declines in EMEA were driven by weaker performances in cash products and repos. Asia Pacific experienced both a decline in rates in Singapore, as the team was rebuilt, and tough trading conditions in equity derivatives in Japan. This was partly offset by increased activity in offshore renminbi (CNY) in Hong Kong and commodities in Australia.

Voice – Rates

The Group's rates business comprises interest rate derivatives, government bonds, repos, cash products and financial futures. The business rates underperformed during the year ended 31 March 2012, as compared to the previous year. Markets were more active in the first half of the year, despite near zero short-term interest rates. Risk appetite fell between September and December 2011 as traders closed their books earlier than normal for the holiday season. Volumes improved in January 2012, prompted by volatility due to Eurozone sovereign debt issues. The Group maintained its market leading position in the euro, sterling and cross-currency swaps businesses. The government bonds business performed in line with the year ended 31 March 2011, benefiting from issuance and the quantitative easing programme increasing volumes in the UK, as well as covered bond issuance in the US.

The Group expanded its financial futures and options execution-only business by hiring 31 former MF Global employees. The business is now run on a global basis, with operations in London, New York, Chicago and Sydney. Since 31 March 2012, the Group has opened an office in Dubai.

In Japan, the Group sold its Japanese government bond business to Central Totan Securities Co Limited and simultaneously purchased a 20% shareholding in the combined business. At the same time, the Group also increased its shareholding in Totan ICAP Co Limited, a leading interest rate derivatives broker.

The Group has also launched DerivX, a mid-price matching platform for euro and sterling interest rate and inflation swaps and options and more recently added Australian dollar interest rate options fixings to the platform.

For the sixth consecutive year, ICAP was voted first in the interest rate broker category in Risk Magazine's annual interdealer rankings.

Voice – FX

The Group's FX business comprises spot and forwards and a joint venture in options. FX performed solidly, with volumes in spot, forwards and options all improving against the prior year, as markets remained volatile due to the ongoing uncertainty arising from the Eurozone sovereign debt crisis. Forward FX had its third successive record year, largely as a result of being increasingly used as a money market funding instrument. The start of the second half of the 2011/12 financial year saw growth continue compared to the previous year.

³ Before acquisition and disposal costs and exceptional items.

However, activity slowed slightly at the beginning of the fourth quarter. i-Forwards, the Group's hybrid FX platform used for forward FX transactions, continued to see increased volumes.

Voice – Commodities

The Group's commodities business comprises energy, which includes power and electricity, oils, natural gas, coal, softs, agriculture, alternative fuels, in addition to shipping, metals and intellectual property. Continuing volatility in the global commodity markets benefited the Group during the year. Growth was strong in energy, especially oils, natural gas and emissions, as well as in softs, agriculture and alternative fuels. However, this was more than offset by disappointing performances from shipping, metals and intellectual property. Shipping has seen freight rates in both tanker and dry markets remain at a cyclical low due to the oversupply of ships and a sluggish global economy. The tanker market is expected to recover at a faster rate than the dry market. In February 2012, ICAP Shipping acquired the remaining 75% of Island Shipbrokers, a Singapore-based ship broking business, to strengthen its presence in the tanker market and the strategically important Asia Pacific region. The Group's metals business has faced an increase in competition, and intellectual property has experienced disappointing auctions.

In February 2012, the Group acquired Sun Commodities, a leading broker of European biodiesel and alternative fuels based in Geneva. The acquisition marked an expansion into European alternative fuels and strengthens the Group's presence in the broking of physical commodities.

Voice – Emerging markets

The Group is active in emerging markets across Asia Pacific, Latin America, Central and Eastern Europe and Africa. While local markets remain robust, international markets are suffering from the withdrawal of balance sheet capital for market making activities. This has had a significant impact on revenue growth, with rates and credit businesses contributing to the decline, but with Latin America growing strongly. Brazil continues to be an area of focus for the Group. Revenue for the year ended 31 March 2012 was 25% above the previous year, largely driven by activity on BM&F and Bovespa. The Group has restructured its Brazilian business and it is expected to breakeven in late 2012/13.

Voice – Credit

The Group's credit business comprises corporate bonds and credit derivatives. Credit experienced challenging markets and underperformed during the year ended 31 March 2012, as compared to the previous year, particularly in the Americas. Volumes in the credit markets were muted due to global credit concerns and a reduction in risk appetite, which impacted new corporate bond issuance. Secondary trading has also been adversely affected, with much of the new issuance yet to find its way into the market. The implementation of the LTRO facility by the European Central Bank has not changed the downward trend in bank lending growth in the Eurozone. However, activity started to pick up in the fourth quarter as increased liquidity became evident.

Voice – Equities

The Group's equities business principally comprises equity derivatives. The equity derivatives market was volatile during the year ended 31 March 2012, with large and frequent swings caused by global economic and political uncertainty. The equity derivatives business saw slight revenue growth in the Americas and minor declines in EMEA and Asia Pacific. The Group maintained its market share in equity derivatives and continues to see future opportunities from regulatory reform. However, the equity derivatives business faces challenges from contracting volumes, commission compression and increased competition from new entrants.

In March 2012, the Group launched iLinked, the first fully tradeable Delta One equity derivatives platform. The platform operates as a hybrid, offering traders the ability to transact either electronically or by voice. iLinked offers a range of equity-based exchange for physicals, which will allow traders to access a transparent pool of liquidity across 120 instruments. Other Delta One and equity derivative products will be added during 2012/13.

Electronic

The Group operates EBS and BrokerTec in the OTC FX and fixed income markets. The platforms offer efficient and effective trading solutions to customers in more than 50 countries across a range of instruments including spot FX, US Treasuries, European government bonds and EU and US repo. The platforms are built on bespoke networks which connect participants in wholesale financial markets.

The Group's strategy is to grow its global electronic business through increasing volumes of existing products and by developing new markets.

Combined average daily electronic volumes for the EBS spot FX and BrokerTec fixed income platform for the 12 months ended 31 March 2012 were \$800 billion, an increase of 3% on the previous year, with the highest

ever average daily volume, \$906 billion, being achieved in June 2011. The Electronic business reported revenue of £301 million for the year ended 31 March 2012, a decrease of 1% over the prior year. Operating profit⁴ for the year ended 31 March 2012 increased by 4% to £127 million, as compared to the previous year.

To support the Group's market-leading position further at a time of heightened competition in electronic trading, the Group continues to invest in product development, operations and technology.

Electronic – FX

The Group's average daily FX electronic broking volumes on the EBS platform were \$152 billion during the year ended 31 March 2012, a 1% increase on the prior year. Since late October 2011, volumes on the EBS platform declined largely due to quieter market conditions and the range-bound nature of two of EBS's main currencies, the Japanese yen and the Swiss franc. Revenue generated from Commonwealth and emerging market pairs has been maintained, with continued growth in Russian ruble volumes.

The EBS platform continued to demonstrate its role as the FX market's central source of pricing and liquidity. This was seen on 4 August 2011 when heightened volatility resulted in \$407 billion traded on EBS, the third-highest volume in its history.

EBS attracts growing interest from a wide range of counterparties for fixing orders. Volumes are improving in its continuous match block trading solution. Interest in both NDFs and CNH also continues to grow from a variety of counterparties across all regions. EBS completed its first ever non-deliverable FX swap (**NDS**) trade in June 2011. NDSs are designed to make traders' FX position management simpler and more accurate.

EBS continues to win leading industry awards including, for the ninth consecutive year, Best Electronic Broker by FX Week, and Best Matching Platform award in the 2011 Profit & Loss Readers' choice Digital Markets Awards.

Electronic – Rates: Government bonds and repo

The Group's total average daily volumes in US Treasury products, EU repo and US repo, at \$648 billion for the year ended 31 March 2012, increased 3% versus the prior year. Trading on the BrokerTec platform reflected a number of factors, including the negative impact of the Eurozone crisis on investor confidence, lower risk appetite and continued rationalisation within banks. In addition, the flat yield curve for US Treasuries has created fewer trading opportunities.

Both the US and Europe saw a fall in repo activity, as a shortage in collateral was exacerbated by the European Central Bank's first LTRO in December 2011, raising €489 billion. Another unlimited three-year LTRO, raising a further €530 billion, followed in February 2012. In Europe, electronic trading of European government bonds continued the growth seen in the previous year, with January 2012 reporting record volumes in Austria, Belgium and Italy, and the second highest monthly turnover in France. Following a slow summer in UK gilts, the Group's business picked up towards the end of 2011/12.

The Group continues to invest in BrokerTec. In March 2012, the Group launched a new generation platform, considerably improving order volume and latency.

Electronic – Rates: Interest rate swaps

In November 2011, the Group received regulatory approval for iSwap Euro Limited to operate a multilateral trading facility (**MTF**) for OTC derivatives. iSwap Euro Limited now runs the Group's electronic platform for IRS trading and is operated and controlled by ICAP, with Barclays Capital, Bank of America Merrill Lynch, Deutsche Bank and J.P. Morgan together investing \$34 million. The four shareholding banks support the platform with streaming prices.

iSwap Euro Limited provides a trading platform for euro IRS (**iSwap**), as well as electronic execution services, in a wide range of interest rate products. The platform is managed by the Group as a part of its technology infrastructure and control environment. The Group has accordingly continued to consolidate 100% of the profit of iSwap Euro Limited in its post-tax earnings. Once the other shareholders have recognised their non-controlling interests, the Group will retain 43% of iSwap Euro Limited's post-tax earnings. The Group believes that this co-investment will assist in the growth and development of the platform, as swaps trading becomes increasingly electronic. The Group continues to earn all voice and broker-assisted hybrid IRS earnings.

The transition from a voice-brokered market to an electronic venue normally takes a number of years, as the liquidity pool migrates slowly and as customers become more comfortable with the new trading environment.

⁴ Before acquisition and disposal costs and exceptional items.

Following the launch of i-Swap, initial trading volumes on the platform exceeded expectations. However, as the eurozone sovereign debt crisis unfolded in the summer of 2011, volatility spiked, spreads on interest rate derivatives increased and electronic trade activity on i-Swap diminished. The results of the recent elections in France and Greece and the potential ramifications for past commitments to austerity and the fiscal pact have troubled markets. Volatility has increased and risk appetite diminished. Current conditions are not supportive of active electronic markets in IRS and continued volatility is anticipated over the summer of 2012.

In January 2012, i-Swap won the OTC Trading Platform of the Year award in the Risk Awards 2012. This award recognises best practice in the risk management and derivatives markets.

Electronic – MyTreasury

MyTreasury is an electronic money market trading platform for corporate treasury investors. MyTreasury currently offers corporate treasurers access to AAA-rated money market funds and term deposits. Other products, including certificates of deposit, short-term loans, commercial paper and repos, are planned to be launched.

The value of funds invested via MyTreasury increased by 41% from the previous year to £18 billion for the year ended 31 March 2012. The platform offers access to more than 2,000 fund accounts. The pressures on interbank liquidity, along with the need for banks to strengthen their capital bases, have increased levels of interest in participation in MyTreasury. For the fourth consecutive year, MyTreasury was awarded the Treasury Management International Best Money Market Fund Dealing Portal award by the readers of Treasury Management International.

Electronic – Credit

The Group has electronic platforms with functionality that has been developed to address different aspects of the credit derivatives markets. These credit platforms provide automated trading to all major banks and consistently have been one of the top three interdealer credit platforms. The European platform has benefited from double-digit growth, specifically in CDS Index and high yield products.

Post trade risk and information

The Group's post trade risk and information business comprises the portfolio risk services businesses (Reset, ReMatch and TriOptima), the transaction processing business, Traiana, and the information business.

The Group's aim is to continue to develop its post trade risk and information business by providing innovative services that enable customers to reduce risk and costs, as well as to increase efficiency, return on capital and capacity to process trades.

The Group's post trade risk and information business continued to perform strongly, reporting revenue of £208 million for the year ended 31 March 2012, an increase of 13% on the prior year. Operating profit⁵ increased by 15% to £91 million, reflecting improved market conditions, additional customers, as well as increased usage from existing customers.

Post trade risk and information – Reset and ReMatch

Reset is a provider of risk mitigation services within the interest rate and inflation markets, and accounts for the largest proportion of the Group's post trade risk revenue and operating profit⁶. Reset's expertise in short-end risk management helps its customers to control multiple forms of fixing and basis risk across numerous asset classes. Despite a persistent global backdrop of low interest rate policy, with little prospect of change and widespread central bank liquidity, the high levels of stress in the European sovereign markets resulted in greater LIBOR volatility as counterparty credit concerns impacted funding markets. Reset benefited from both this volatility and from offering an expanding product set to its customers, including a bond bulk risk service in European government bonds and a floating/floating basis product.

ReMatch provides market risk mitigation and portfolio rebalancing services to address the problems derived from the build-up of illiquid, calendar spread and net open positions in CDS portfolios. In October 2011, ReMatch launched a new service to mitigate risk arising from quanto CDS (sovereign contracts denominated in a different currency) that reference European sovereigns. Quanto CDS enables banks to reduce their positions in what would otherwise be illiquid maturities. ReMatch has become a significant force in the market in CDS for western European sovereigns, emerging market sovereigns and corporates. Sovereign market stress, particularly in Europe, created significant increases in demand for ReMatch, most notably in the second half of the year.

⁵ Before acquisition and disposal costs and exceptional items.

⁶ Before acquisition and disposal costs and exceptional items.

Post trade risk and information – TriOptima

TriOptima, through triReduce and triResolve, operates risk elimination and risk mitigation solutions for OTC derivatives, primarily through the reconciliation and elimination of outstanding OTC derivatives. The triReduce service decreases counterparty credit risk, the number of outstanding contracts and the gross notional value through early termination of existing contracts for rate, credit and energy swaps.

Since 2008, triReduce has eliminated more than \$230 trillion in total notional volume for interest rate and credit default swaps. As anticipated last year, during 2011/12 triReduce saw an increase in activity and eliminated \$72 trillion in notional volume in interest rate swaps alone. Eliminating trades helps to reduce systemic risk and reduces potential administrative exposure in the event of a default. The increased use of compression of trades demonstrates to regulators that risk in the system can and should be reduced by actively managing portfolios. This is as relevant for centrally cleared trades as it is for bilateral trades, as sending trades to a central counterparty (CCP) does not fully eliminate risk.

The triResolve service facilitates the management of counterparty credit exposure and reduction of operational risk by reconciling entire OTC portfolios. triResolve's revenue grew during the year ended 31 March 2012 as its customers increased their focus on operational and credit risk through portfolio reconciliation, margin call management and dispute resolution.

Post trade risk and information – Traiana

Traiana provides global banks, broker/dealers, buy-side firms and e-trading platforms with solutions to automate post trade processing of financial transactions. The Harmony network is the backbone of Traiana's post trade business and is used by more than 500 of the world's leading financial companies. Traiana is focused on growing its original FX business and exploiting the strengths of the Harmony network by adding new asset classes and services to the platform.

At 31 March 2012, Harmony was processing an average of 1.1 million transactions per day, an increase of more than 25% from the same period last year. In addition, Traiana's trade aggregation joint venture with CLS Group, CLSAS, continued to expand. CLSAS is processing more than 324,000 transactions per day, having grown by more than 85% over the past 12 months. As part of the strategy to expand into new asset classes, the platform was extended to provide solutions for exchange traded derivatives, equity derivatives/CFDs and cash equity transactions.

Traiana announced an industry effort to reduce risk in algorithmic trading of FX with leading FX prime brokers and trading platforms. This initiative offers customers the ability to centrally monitor and manage FX electronic communication networks' trading activity and trading limits on a global basis. The initiative contributed to growth during the year ended 31 March 2012 and is expected to provide additional growth opportunities in the future.

In January 2012, Traiana launched another new service on the Harmony platform. Harmony CCP Connect provides a comprehensive solution for OTC FX clearing, including connectivity, workflow automation, trade matching and affirmation. With a single connection to Harmony, it provides access to all CCPs, thus lowering costs and complexity for market participants. The solution supports all proposed US and European clearing rules and workflows, simplifying compliance for FX clearing companies and their customers. In January 2012, Traiana Harmony was certified by the CME Group for the submission of OTC FX derivatives. In March 2012, Traiana announced that six of the largest FX clearers had chosen Traiana Harmony for their comprehensive client clearing solution.

Post trade risk and information – Information

ICAP Information is a provider of OTC market information, delivering independent data solutions to financial market participants. It empowers customers to make trading decisions with OTC market information across key asset classes. ICAP Information provides data services across the Group's brokered product range and offers innovative solutions for real-time, end-of-day and historic products.

The Group's data is the key source of mark to market data for the industry and of intelligence behind algorithmic trading and research models for customers. With average daily volume data brokered by the Group fed into the Group's data products, there are 29 million average daily data updates in more than 96,000 instruments delivered to end users. The business has exhibited strong performance versus the prior year with growth in both revenue and profit. It employs a subscription-based charging structure which provides a regular revenue stream.

The depth and breadth of products expanded in 2011/12 with the launch of Eurex ICAP Swap Spreads, in collaboration with Deutsche Börse, which enabled us to develop a real-time benchmark for euro yield spreads.

In the fixings and reference space, the Group expanded its partnership with Thomson Reuters with the delivery of spot FX fixes and the development of new services in emerging markets, following the launch of ICAP LatAm. In March 2012, the Group agreed to extend its data product and distribution agreement with QUICK Corp in Japan for three years.

The Board and Management

ICAP is headed by an experienced board of directors consisting of a non-executive Chairman, Group Chief Executive Officer, two further executive directors and four independent non-executive directors. The board's responsibilities include the Group's long-term objectives and commercial strategy, acquisition, and major investments as well as overseeing the Group's overall risk management and control, and compliance functions. Risk management is a fundamental part of the Group's business approach. The Group is committed to maintaining a strong control environment, both geographically and across product lines.

The board considers that it has complied with the principles and provisions of the UK Corporate Governance Code throughout the year ended 31 March 2012 with the single exception of the appointment of a senior independent director for the full year.

Name	Position
The Board of Directors – ICAP	
Charles Gregson	Non-executive Chairman and Chairman of the Nomination Committee
Michael Spencer	Group Chief Executive Officer
John Nixon	Group Executive Director Americas
Iain Torrens	Group Finance Director
John Sievwright	Senior independent non-executive director and Chairman of the Audit and Risk Committee
Diane Schueneman	Independent non-executive director
Hsieh Fu Hua	Independent non-executive director
Robert Standing	Independent non-executive director and Chairman of the Remuneration Committee
Global Executive Management Group	
Michael Spencer	Group Chief Executive Officer
John Nixon	Group Executive Director Americas
Iain Torrens	Group Finance Director
Mark Beeston	Chief Executive Officer, Portfolio Risk Services
David Casterton	Chief Executive Officer, London and EMEA (voice)
Hugh Gallagher	Chief Executive Officer, Asia Pacific (voice)
Gil Mandelzis	Chief Executive Officer EBS
Mark Price	Group Chief Operating Officer
Douglas Rhoten	Chief Executive Officer Americas (voice)
Duncan Wales	Group General Counsel

The Board of Directors – ICAP

Charles Gregson is non-executive Chairman and Chairman of the Nomination Committee. He was appointed in 2001 having been executive Chairman since 1998. Between 1978 and 1998, he was responsible for the Garban businesses that demerged from UBM and later merged with Intercapital in 1999 to form ICAP. Charles is the non-executive chairman of CPP Group Plc and St James's Place plc. He is a non-executive director of Caledonia Investments plc.

Michael Spencer is Group Chief Executive Officer. He was the founder of Intercapital in 1986 and became Chairman and Chief Executive of Intercapital in October 1998, following the Exco/ Intercapital merger. Michael is chairman of the GEMG. Michael, together with IPGL and its subsidiary companies, is a substantial shareholder in the Company. He is the chairman of IPGL and is on the board of many of IPGL's investments. As at 10 May 2012, he is deemed, with IPGL and its subsidiary INFBV, to have an interest of 16.73% in ICAP. IPGL's other interests include City Index Limited and investments in a variety of other financial services companies. Michael is chairman of IPGL and he is on the boards of many of IPGL's investments. He is the senior independent non-executive director of Tungsten Corporation plc.

John Nixon is Group Executive Director Americas. He has management oversight and responsibility for fixed income ICAP Electronic Broking and the Americas voice broking businesses. Prior to his appointment to the board in 2008, John had served from 1998 to 2002 as a non-executive director. He has been a member of the GEMG since 2003 when he had responsibility for strategic acquisitions. John has extensive experience in the interdealer broking industry. He was previously the Chief Executive Officer of Tullett and Tokyo Forex, now

part of Tullett Prebon, where he worked from 1978 to 1997 in Toronto, London and New York. John holds a degree in Commerce from Queen's University, Ontario.

Iain Torrens is Group Finance Director. He joined ICAP in 2006 as group treasurer and became group financial controller in 2008. Before joining ICAP, he worked in a number of senior financial roles for CP Ships Limited and Cookson Group plc. Iain is a member of the GEMG and the GOC and is chairman of the GRACC. Iain holds a degree in Banking and Finance from the University of Wales and a postgraduate diploma from the University of Ulster. He is a Chartered Accountant, Corporate Treasurer and a Chartered Secretary.

John Sievwright is Senior independent non-executive director and chairman of the Audit and Risk Committee. He was Chief Operating Officer, International, for Bank of America Merrill Lynch (formerly Merrill Lynch), based in New York, Tokyo and London. He has also held a number of other senior positions at Merrill Lynch, including Chief Operating Officer, Global Markets and Investment Banking, Head of Global Futures and Options and Chief Administrative Officer for the Debt Markets and Global Equity Derivatives Divisions. John holds an MA degree in Accounting and Economics from the University of Aberdeen and is a member of the Institute of Chartered Accountants in Scotland. John is the senior independent non-executive director of FirstGroup plc and chairman of its audit committee.

Diane Schueneman is an independent non-executive director. She was previously an independent consultant to the US Internal Revenue Service Commissioner for McKinsey & Company. She built an extensive career at Bank of America Merrill Lynch (formerly Merrill Lynch) and until 2008 was Senior Vice President, Head of Global Infrastructure Solutions and a member of the Executive Operating Committee. During her career she has covered fixed income sales, business management, operations, client services and technology. Diane previously served on two not-for-profit boards, Year Up and National Cooperative Cancer Network Foundation, and was on the advisory board of United Bank for Africa Group. Diane is an independent director of Penson Worldwide Inc.

Hsieh Fu Hua is an independent non-executive director. He served as President and a director of Temasek Holdings in Singapore until January 2012. He was formerly Chief Executive Officer and non-independent director of the Singapore Exchange from 2003 to 2009. He is also co-founder of and advisor to the PrimePartners group of companies, a corporate and investment advisory business based in Singapore, and served as the Group Managing Director of BNP Prime Peregrine Group, the Asian investment banking arm of BNP (a joint venture with PrimePartners). Before forming PrimePartners in 1993, he headed Morgan Grenfell Asia Holdings Pte Ltd which he joined in 1974. Fu Hua holds a degree in Business Administration from the University of Singapore. Fu Hua is a non-executive director of United Overseas Bank Ltd and Tiger Airways Holdings Ltd. He is also the non-executive chairman of Fullerton Fund Management.

Robert Standing is an independent non-executive director and Chairman of the Remuneration Committee. He is a principal of London Diversified Fund Management which was founded within the JPMorgan group in 1995 and spun out in 2002. Robert joined Chemical Bank in 1982, spending two years developing new products before joining the Capital Markets division in 1985. Following acquisitions by JPMorgan, he worked in a range of roles before becoming Head of Fixed Income and Foreign Exchange for EMEA in 1998. Robert is one of the founders of the Hedge Fund Standards Board. He holds a degree in Engineering from Cambridge University. Robert is a director of London Diversified Fund Management (UK) Ltd.

The Board of Directors – IGHP

The Board of Directors of IGHP consists of four directors, Iain Torrens (Group Finance Director), Mark Price (Group Chief Operating Officer), David Ireland (Group Head of Tax & Treasury) and Deborah Abrehart (Group Company Secretary).

Mark Price is Group Chief Operating Officer. He has overall responsibility for IT infrastructure, risk, compliance and human resources. He joined ICAP in 2011 from Deutsche Bank where from 2009 he was Chief Operating Officer for Global Credit and Emerging Market Debt. While at Deutsche Bank he held a number of senior roles involving both business management and operating responsibilities, including as the Chief Operating Officer for Sales, Deputy Head of the middle office, and Head of the Credit Trading Product Control Group. Prior to joining Deutsche Bank in 1998, Mark worked at Merrill Lynch for three years in Credit Derivatives Product Control. He is chairman of the GOC and a member of the GRACC. Mark is a Chartered Accountant.

David Ireland is Group Head of Tax & Treasury. He joined ICAP in 2011 from Barclays where he had been Head of Tax for UK & EMEA for Barclays Capital. Prior to Barclays David worked for Deloitte providing tax advice to the banking and capital markets industry. He is a member of the GRACC. He holds a degree in Mathematics from Cambridge University and is a Chartered Accountant.

Deborah Abrehart is Group Company Secretary. She joined the Group in January 2006. Deborah is responsible for the Group's secretarial, corporate governance and insurance functions. Deborah was previously Group Company Secretary of easyJet plc where she was responsible for the flotation and establishment of the company's secretarial function. Deborah is a Chartered Secretary.

Global Executive Management Group

On a day to day basis the Group is managed globally by the Global Executive Management Group (**GEMG**) in accordance with delegated authorities approved by the board of ICAP. The GEMG consists of the three executive directors and seven other senior managers who together represent the Group's voice and electronic platforms.

Mark Beeston is Chief Executive Officer of Portfolio Risk Services. He is responsible for post trade risk and information business. Prior to joining ICAP in December 2009, he spent four years as President of T-Zero (now ICE Link). Before this he spent 13 years at Deutsche Bank where, among other roles, he served as Chief Operating Officer for Global Credit Trading, Chief Operating Officer for OTC Derivatives and global head of Money Market Derivatives trading. Mark represented Deutsche Bank at board level across numerous industry companies and associations including ISDA, Markit, OTCDerivNet and DTCC DerivServ.

David Casterton is Chief Executive Officer of London and EMEA (voice). Since June 2008 he has been responsible for all voice broking and related support functions in London and EMEA. Between 1995 and 2008, David worked in a number of senior broking roles and had responsibility for interest rate derivatives, money markets, repos, government bonds and financial futures. Prior to joining ICAP in 1995 he was with MW Marshalls and Guy Butler International.

Hugh Gallagher is Chief Executive Officer, Asia Pacific (voice). Since September 2010 he has been responsible for voice broking, technology and support functions throughout Asia Pacific. Hugh was appointed to the GEMG in January 2012. He has held several senior positions within ICAP since joining in 1988, including Chief Executive Officer ICAP Australia. Prior to joining ICAP, Hugh worked for Citibank and Lloyds in FX and money markets. Hugh has more than 25 years' experience working in OTC markets in the Asia Pacific region.

Gil Mandelzis is Chief Executive Officer of EBS. He co-founded Traiana in April 2000 and, on his appointment as Chief Executive Officer of EBS in March 2012, was appointed Executive Chairman of Traiana. Gil led Traiana's growth from a small start-up to a recognised global leader in post trade services resulting in Traiana's acquisition by ICAP in 2007. Gil was appointed to the New York Federal Reserve's Foreign Exchange Committee in 2012.

Douglas Rhoten is Chief Executive Officer Americas (voice). He is responsible for ICAP's voice broking, technology and support functions in the US and Latin America, including ICAP's operations in Brazil. He is also a director of SIF ICAP SA de CV, ICAP's joint venture in Latin America. Doug was a founding member of The Green Exchange and a former member of the US Federal Reserve Bank Foreign Exchange Committee.

Duncan Wales is Group General Counsel. He has been responsible for the global legal function since December 2008. He has occupied a number of senior roles within the legal and compliance departments at ICAP, including director of government affairs. Prior to its acquisition by ICAP in 2003, he was director of legal affairs at BrokerTec. As well as having experience in investment banks, Duncan spent five years at Clifford Chance as a derivatives and OTC markets specialist. He is a member of the GOC and the GRACC. He is a member of the GC 100 Group and the Council of the Wholesale Markets Brokers' Association.

The business address of each of the members of the Board of Directors of each of ICAP and IGHP and of the Executive Team is 2 Broadgate, London, EC2M 7UR. There are no potential conflicts of interest between any duties to ICAP, IGHP or the Group of any members of the Board of Directors of each of ICAP or IGHP or of any members of the Global Executive Management Group and their private interests or other duties.

Risk control and management framework

The significant risks of the Group are continually monitored, assessed and managed by operating the three lines of defence model for the risk management and control of the businesses. The first line of defence comprises senior business and executive management who own the risks and controls for their respective businesses and retain full accountability for control-related business issues. The second line of defence comprises the compliance and risk management functions. These functions are responsible for the Group's risk framework and infrastructure and identify, monitor, mitigate and report key risks. The internal audit function provides the third line of defence by making a systematic and disciplined evaluation of the business, control and governance frameworks, structures, processes and methodologies operating within the Group.

A key tenet of the three lines of defence model is that the senior management of the Group, in particular those senior managers with responsibility for overseeing the front, middle and back office functions, are responsible for all control-related business issues and have full accountability for the management of the risks in their businesses, within the limits and the control environment established by the Group. All staff and managers are required to take a prudent approach to risk taking and to regularly review the effectiveness of their control environment.

The Group's independent control functions (risk, compliance and internal audit) are responsible for ensuring that the control environment is fit for purpose and able to identify and escalate to senior management the Group's key risks and to mitigate these risks where appropriate.

The Group has created an integrated control framework for the three key control functions of risk, compliance and internal audit. In providing assurance as to the effectiveness of the system of internal controls to the GOC, the Audit and Risk Committee and the board of ICAP plc, the three key control functions will, where appropriate and on a planned basis, combine resources, skills and technical expertise in the conduct of monitoring, oversight and review work.

Risk management

The Group's risk management function operates under the mandate set by the board of ICAP. The Global Chief Risk Officer reports to the Group Chief Operating Officer. Under the leadership of regional heads, risk departments support the electronic and post trade risk and information businesses on a global basis and the regional voice businesses and are members of business level and regional risk committees. The Global Chief Risk Officer is a member of the GOC and GRACC and is a standing attendee of the Audit and Risk Committee.

Day-to-day management of risk and its mitigation is the responsibility of business heads. Risk management provides an independent assessment of the Group's risks and supports the business heads in identifying, monitoring, mitigating and reporting key risks through the use of a range of tools. In this way, risk management views the Group's activities both functionally and globally.

These tools include:

- independent monitoring and analysis of the Group's liquidity exposures, both current and projected;
- credit risk limits based on an internal scoring system;
- various information tools and reports such as dashboards and key risk indicators;
- Group and risk management policies;
- controls and procedures;
- risk and control self assessments and process maps; and
- significant risk assessment and quantification programmes.

A number of qualitative and quantitative measures are monitored by risk management to ensure that the businesses' risks remain within acceptable tolerances. Metrics that are robust, easy to explain to the businesses and directly related to their risk profiles are preferred over complicated and unintuitive solutions. Examples of such metrics include key risk indicators, scenario analysis and credit exposure metrics. Using these measures, the Group produces a number of risk intelligence reports which are disseminated widely among the Group's managers, the GEMG and the board of ICAP.

Compliance management

The Group's compliance department reports to the Group Head of Compliance who in turn reports to the Group Chief Operating Officer. Dedicated compliance departments support the businesses operating in EMEA, the Americas and Asia Pacific regions, each under the leadership of regional heads of compliance who are members of regional and business level risk committees. The Group Head of Compliance is a member of the GOC and is a standing attendee of both the GRACC and the Audit and Risk Committee.

The Group continues to invest in the enhancement of the compliance department in response to challenges posed by changes to the regulatory environment and the more intrusive stance of industry regulators. These initiatives have included the appointment of a regional head of compliance for Asia Pacific and a head of compliance for the Group's operations in Brazil.

The Group's compliance department operates under the mandate set by the board of ICAP. This mandate, *inter alia*, establishes the compliance department as an independent global control and assurance function which

implements and manages the Group's compliance risk management framework. This framework is designed to provide assurance that the Group's business is conducted in accordance with applicable rules, regulations and regulatory standards. As such, the compliance risk management framework incorporates the requirements of applicable law and published international best practice standards including business advisory support, compliance risk assessment and mitigation, compliance monitoring and surveillance, anti-money laundering compliance and the reporting and escalation of potential and crystallised risks.

The Group's compliance department undertakes an annual risk assessment in each region as the basis for the annual compliance plan for those legal entities, desks, offices, business and operating units which will be the subject of compliance review and examination. The Group's compliance risk management framework is risk based, which means that the Group assesses and ranks its compliance risks and prioritises its compliance resources accordingly on a Group, regional and business unit basis.

Internal audit

The board of ICAP is responsible for reviewing the effectiveness of the internal control system which management is responsible for maintaining and it does this through the Audit and Risk Committee. The day-to-day business of the Group is managed through a system of financial, operational and compliance controls and monitored by a series of risk management systems. Internal controls are designed to manage rather than eliminate risks and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group has investments in a number of joint ventures and associates. Internal control procedures for joint ventures and associates rests with the senior management of these operations and the Group seeks to monitor such investments and exert influence through board representation. The board of ICAP's review of the effectiveness of the system of internal control in those entities is consequently less comprehensive than in its directly-owned subsidiaries.

The effectiveness of the internal control system is reviewed regularly by the independent internal audit function. The internal audit function reports to the Audit and Risk Committee and functionally to the Group Finance Director. Internal audit establishes an annual audit plan based on discussions with management and the assessment of the risks inherent in the Group's activities. Based on the results from these audits, it provides assurance to executive management and the Audit and Risk Committee that the system of internal control achieves its objectives and highlights gaps and areas for improvement. During the year, the role of Ernst & Young as internal auditor was reviewed and, on the recommendation of the Audit and Risk Committee, following a tender process, KPMG was appointed internal auditor.

Principal Shareholders (as at 10 May 2012)

ICAP plc's authorised share capital is £110,000,000 divided into 1,100,000,000 shares of 10p each. As at 31 May 2012, ICAP plc had issued share capital of 664,365,783 which includes 18,294,235 Treasury Shares. As at 10 May 2012, ICAP plc had been notified of the following voting rights of 3% or more in its issued share capital:

	Total interest in ordinary shares	Percentage of voting rights		
		Indirect %	Direct %	Total %
Michael Spencer, together with INFBV and INCAP Overseas BV*	108,074,101	16.26	0.47	16.73
Newton Investment Management Limited	52,546,074	8.13	—	8.13
Schroders plc	32,989,936	5.11	—	5.11
FIL Limited	32,710,343	5.00	0.06	5.06
BlackRock, Inc.	32,388,112	4.93	0.08	5.01
AXA SA	29,749,171	3.80	0.81	4.61
Legal & General Group plc	19,850,242	3.07	—	3.07

* Michael Spencer, together with trusts for the benefit of his children of which he is one of joint trustees, owns a majority shareholding in IPGL, of which INFBV is a wholly-owned subsidiary. Accordingly, Michael Spencer is deemed to be interested in all the shares in ICAP plc held by INFBV and its wholly-owned subsidiary, INCAP Overseas BV, totalling 105,069,560 shares. A trust of which Michael Spencer's children are beneficiaries and he is a joint trustee owns, a further 50,000 shares and 2,947,480 shares are held by EES Trustees International Limited as trustee of the ICAP Trust. The shares held in the ICAP Trust include basic awards to Michael Spencer under the BSMP and matching awards under the BSMP in respect of which there are no unsatisfied performance or continuity of employment conditions. Michael Spencer has an interest in a further 2,832 share options under the SAYE scheme and holds 4,229 shares in his own name.

IGHP's authorised share capital is £2,000,000,000 divided into 2,000,000,000 ordinary shares of £1.00 each. As at the date of this Prospectus, a single £1 ordinary share of IGHP is owned by Intercapital Limited, with the remaining 233,478,000 issued shares owned by ICAP.

Article 4.1 of IGHP's Memorandum of Association states that the objects for which IGHP is established include, without limitation, to carry on the business as a general commercial company. The objects of ICAP are unlimited.

Other Matters

Revenue per voice broker

The Group monitors the voice revenue per broker as the most relevant efficiency measure of its Voice division. In the financial year ended 31 March 2012, the Group's voice revenue per broker was £498,000 (2011: £542,000).

Pensions

The Group operates a number of defined contribution pension schemes. Payments to defined contribution schemes are recognised as an expense in the consolidated income statement as they fall due. Any difference between the payments and the charge is recognised as a short-term asset or liability. Defined contribution pension costs in the year ended 31 March 2012 were £6m (2011: £6m).

Legal Matters

Several government agencies in North America and Europe, including the US CFTC, the US Department of Justice, the FSA and the European Commission, are conducting investigations into past submissions made by panel members to the bodies that set various inter-bank offered rates (LIBOR). Neither ICAP, nor any of its subsidiaries, were either at the relevant time or are now members of the various panels that submit data that is used to set LIBOR. However, certain Group companies are involved in the broking of cash deposits and derivatives based on LIBOR between banks, including members of the relevant panels. Certain members of the Group have received requests from some government agencies for information as part of their investigations into how LIBOR is set and are co-operating fully. It is not possible at this time to predict the scope and ultimate outcomes including the timing and scale of the potential impact of any investigations on the Group.

From time to time the Group is engaged in litigation in relation to a variety of matters, and is required to provide information to regulators and other government agencies as part of informal and formal inquiries. It is not possible to quantify the extent of any potential liabilities, but currently there are none expected to have a material adverse impact on the Group's operations or its consolidated financial position.

Insurance

The Group's company secretarial department is responsible for negotiating the Group's insurance cover through its broker Jardine Lloyd Thompson plc. Policies are structured on a global basis, written with reputable counterparties and are designed to protect the Group's assets, liabilities and earnings by providing cover for a range of risks customary for the industry. Global policies are supplemented in local markets by policies covering employers' liability, workmen's compensation, motor, personal accident, travel, bonds, uninsured loss recovery and other local requirements.

Selected Financial Information of the Obligors

The following tables set out in summary form the consolidated income statement, financial position and cash flow statement of ICAP for the years as at and ended 31 March 2012 and 2011 respectively. Such information is extracted (without material adjustment) from, and is qualified by reference to and should be read in conjunction with, the audited consolidated annual financial statements of ICAP as at and for the years ended 31 March 2012 and 2011 respectively, each of which is incorporated by reference in this Offering Circular:

Consolidated income statement

Year ended 31 March 2012

	Note	Before acquisition and disposal costs £m	Acquisition and disposal costs (note 22(c)) £m	Total £m
Continuing operations				
Revenue	1	1,681	-	1,681
Operating expenses	4	(1,335)	(150)	(1,485)
Other income	24	26	13	39
Operating profit	1	372	(137)	235
Net Finance Expense	9	(24)	-	(24)
Share of profit of associates after tax	1	6	-	6
Profit before tax from continuing operations		354	(137)	217
Tax	8	(95)	18	(77)
Profit for the year from continuing operations		259	(119)	140
Profit for the year from discontinued operations	25(a)	-	-	-
Profit for the year		259	(119)	140

Consolidated income statement

Year ended 31 March 2011

	Note	Before acquisition and disposal costs and exceptional items £m	Acquisition and disposal costs (note 22(c)) £m	Exceptional items (note 23) £m	Total £m
Continuing operations					
Revenue	1	1,741	-	-	1,741
Operating expenses	4	(1,387)	(88)	(3)	(1,478)
Other income	24	21	-	-	21
Operating profit	1	372	(88)	(3)	284
Net Finance Expense	9	(28)	-	(20)	(48)
Share of (profit/loss) of associates after tax	1	3	(6)	-	(3)
Profit before tax from continuing operations		350	(94)	(23)	233
Tax	8	(90)	32	8	(50)
Profit for the year from continuing operations		260	(62)	(15)	183
Profit for the year from discontinued operations	25(a)	-	-	4	4
Profit for the year		260	(62)	(11)	187

Consolidated balance sheets

	Note	Group	
		As at 31 March 2012 £m	As at 31 March 2011 £m
Assets			
Non-current assets		1,446	1,600
Current assets		79,851	75,171
Total assets		81,297	76,771
Liabilities			
Current liabilities		(79,563)	(74,938)
Non-current liabilities		(524)	(582)
Total liabilities		(80,087)	(75,520)
Net assets		1,210	1,251
Equity			
Capital and reserves			
Called up share capital	18(b)	66	66
Share premium account		453	452
Other reserves		91	75
Translation		42	73
Retained earnings		516	565
Equity attributable to owners of the Company		1,168	1,231
Non-controlling interests		42	20
Total equity		1,210	1,251

Consolidated statement of cash flow

	Note	Group	
		As at 31 March 2012 £m	As at 31 March 2011 £m
Cash flows from operating activities	7(a)	312	256
Net cash flows from investing activities		(57)	(97)
Net cash flows from financing activities		(116)	(163)
FX adjustments		(5)	(15)
Net increase/(decrease) in cash and cash equivalents		134	(19)
Net cash and cash equivalents at the beginning of the year		404	423
Net cash and cash equivalents at the end of the year	7(c)	538	404

The following tables set out in summary form the consolidated income statement, financial position and cash flow statement of IGHP for the years as at and ended 31 March 2011 and 2010 respectively. Such information is extracted (without material adjustment) from, and is qualified by reference to and should be read in conjunction with, the audited consolidated annual financial statements of IGHP as at and for the years ended 31 March 2011 and 2010 respectively, each of which is incorporated by reference in this Offering Circular:

Consolidated income statements

	Note	Year ended 31 March 2011 £m	Restated Year ended 31 March 2010 £m
Revenue	3	1,538	1,448
Operating expenses.....		(1,261)	(1,234)
Other income.....	6	19	18
Operating profit		296	232
Net Finance costs.....	8	(75)	(20)
Share of (loss)/profit of associates after tax.....		(6)	7
Profit before tax		215	219
Tax.....	9	(38)	(73)
Profit for the year		177	146

Consolidated balance sheets

	Note	As at 31 March 2011 £m	Restated As at 31 March 2010 £m	Restated As at 31 March 2009 £m
Assets				
Non-current assets		1,496	1,631	1,571
Current assets		72,834	56,582	29,162
Total assets		74,330	58,213	30,733
Liabilities				
Current liabilities		(72,534)	(55,952)	(29,272)
Non-current liabilities		(1,125)	(1,038)	(304)
Total liabilities		(73,659)	(56,990)	(29,576)
Net assets		671	1,223	1,157
Equity				
Capital and reserves				
Called up share capital.....	29	233	233	200
Other reserves.....	29	332	347	388
Translation.....		150	170	218
Retained earnings.....		(47)	470	351
Equity attributable to owners of the Company		668	1,220	1,157
Non-controlling interests.....		3	3	-
Total equity		671	1,223	1,157

Consolidated statement of cash flow

		Year ended 31 March 2011 £m	Restated Year ended 31 March 2010 £m
	Note		
Cash flows from operating activities.....	31(a)	98	222
Net cash flows from investing activities.....		(74)	(198)
Net cash flows from financing activities.....		(32)	69
FX adjustments.....		(15)	(8)
Net (decrease)/increase in cash and cash equivalents		(23)	85
Cash and cash equivalents at beginning of the year	31(c)	321	236
Cash and cash equivalents at end of the year	31(c)	298	321

Book-Entry Clearance Systems

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

Clearing Systems (other than CREST)

DTC

DTC has advised the Obligors that it is a limited purpose trust company organised under the New York Banking Law, a “banking organisation” within the meaning of the New York Banking Law, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants (**Participants**) deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (**Indirect Participants**).

Under the rules, regulations and procedures creating and affecting DTC and its operations (the **Rules**), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC’s book-entry settlement system (**DTC Notes**) as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (**Owners**) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC’s records. The ownership interest of each actual purchaser of each DTC Note (**Beneficial Owner**) is in turn to be recorded on the Direct and Indirect Participant’s records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the relevant Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the relevant Issuer (or the Guarantor in the case of Senior Notes issued by ICAP), subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the relevant Issuer (and the Guarantor in the case of Senior Notes issued by ICAP), disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will be legended as set forth under "*Subscription and Sale and Transfer and Selling Restrictions*".

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Book-entry Ownership of and Payments in respect of DTC Notes

The relevant Issuer may apply to DTC in order to have any Tranche of Notes represented by a Registered Global Note accepted in its book-entry settlement system. Upon the issue of any such Registered Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Registered Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer.

Ownership of beneficial interests in such a Registered Global Note will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Note, the respective depositories of Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in a Registered Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Registered Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC or its

nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

The Obligors expect DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Obligors also expect that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Principal Paying Agent, the Registrar, the relevant Issuer, the Guarantor (if applicable) or the Trustee. Payment of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the relevant Issuer and the Guarantor (if applicable).

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant Clearing System. The laws in some states within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under “*Subscription and Sale and Transfer and Selling Restrictions*”, cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant Clearing System in accordance with its rules and through action taken by the Registrar, the Principal Paying Agent and any custodian (**Custodian**) with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Principal Paying Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuers, the Guarantor (if applicable), the Trustee, the Principal Paying Agent, the Registrar, any other party to this Agency Agreement and any Dealer will be responsible for any performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

CREST Depository Interests

If so specified in the applicable Final Terms, following the delivery of an issue of Notes into Euroclear and/or Clearstream, Luxembourg (the **Relevant Clearing Systems** and each a **Relevant Clearing System**), investors may also hold interests in the Notes through Euroclear UK & Ireland Limited (formerly known as CREST Co Limited) (**CREST**) through the issuance of dematerialised depository interests (**CREST Depository Interests** or **CDIs**) issued, held, settled and transferred through CREST, representing interests in the relevant Notes underlying the CDIs (the **Underlying Notes**). CREST Depository Interests are independent securities distinct from the Notes, constituted under, and governed by, English law and transferred through CREST and will be issued by CREST Depository Limited (the **CREST Depository**) pursuant to the global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated) (the **CREST Deed Poll**).

The CDIs will represent indirect interests in the interest of CREST International Nominees Limited (the **CREST Nominee**) in the Underlying Notes. Pursuant to the CREST Manual (as defined below), Notes held in global form by the common depository or common safekeeper may be settled through CREST, and the CREST Depository will issue CDIs. The CDIs will be independent securities distinct from the Notes, constituted under English law, and may be held and transferred through CREST.

Interests in the Underlying Notes will be credited to the CREST Nominee's account with a Relevant Clearing System and the CREST Nominee will hold such interests as nominee for the CREST Depository which will issue CDIs to the relevant CREST participants.

Each CDI will be treated by the CREST Depository as if it were one Underlying Note, for the purposes of determining all rights and obligations and all amounts payable in respect thereof. The CREST Depository will pass on to holders of CDIs (**CDI Holders**) any interest or other amounts received by it as holder of the Underlying Notes on trust for such CDI Holders. CDI Holders will also be able to receive from the CREST Depository notices of meetings of holders of Underlying Notes and other relevant notices issued by the relevant Issuer.

Transfers of interests in Underlying Notes by a CREST participant to a participant of a Relevant Clearing System will be effected by cancellation of the corresponding CDIs and transfer of an interest in such Underlying Notes to the account of the relevant participant with a Relevant Clearing System.

The CDIs will have the same ISIN as the ISIN of the Underlying Notes and will not require a separate listing on the Official List.

Prospective subscribers for Notes represented by CDIs are referred to Section 3 (Crest International Manual) of the CREST Manual issued by Euroclear UK & Ireland (including the CREST International Manual dated 14 April 2008) as amended, modified, varied or supplemented from time to time (the **CREST Manual**) which contains the form of the CREST Deed Poll to be entered into by the CREST Depository. The rights of the CDI Holders will be governed by the arrangements between CREST, the Relevant Clearing Systems and the relevant Issuer including the CREST Deed Poll (in the form contained in Section 3 of the CREST Manual) executed by the CREST Depository. These rights may be different from those of holders of Notes which are not represented by CDIs.

If issued, CDIs will be delivered, held and settled in CREST, by means of the CREST International Settlement Links Service (the **CREST International Settlement Links Service**). The settlement of the CDIs by means of the CREST International Settlement Links Service has the following consequences for CDI Holders:

- (a) CDI Holders will not be the legal owners of the Underlying Notes. The CDIs are separate legal instruments from the Underlying Notes to which they relate and represent an indirect interest in such Underlying Notes.
- (b) The Underlying Notes themselves (as distinct from the CDIs representing indirect interests in such Underlying Notes) will be held in an account with a custodian. The custodian will hold the Underlying Notes through a Relevant Clearing System. Rights in the Underlying Notes will be held through custodial and depository links through the appropriate Relevant Clearing Systems. The legal title to the Underlying Notes or to interests in the Underlying Notes will depend on the rules of the Relevant Clearing System in or through which the Underlying Notes are held.
- (c) Rights under the Underlying Notes cannot be enforced by CDI Holders except indirectly through the intermediary depositories and custodians described above. The enforcement of rights under the Underlying Notes will therefore be subject to the local law of the relevant intermediary. The rights of CDI Holders to the Underlying Notes are represented by the entitlements against the CREST Depository which (through the CREST Nominee) holds interests in the Underlying Notes. This could result in an elimination or reduction in the payments that otherwise would have been made in respect of the Underlying Notes in the event of

any insolvency or liquidation of the relevant intermediary, in particular where the Underlying Notes held in Relevant Clearing Systems are not held in special purpose accounts and are fungible with other securities held in the same accounts on behalf of other customers of the relevant intermediaries.

- (d) The CDIs issued to CDI Holders will be constituted and issued pursuant to the CREST Deed Poll. CDI Holders will be bound by all provisions of the CREST Deed Poll and by all provisions of or prescribed pursuant to the CREST Manual and the CREST Rules (the **CREST Rules**) (contained in the CREST Manual) applicable to the CREST International Settlement Links Service and CDI Holders must comply in full with all obligations imposed on them by such provisions.
- (e) Potential investors should note that the provisions of the CREST Deed Poll, the CREST Manual and the CREST Rules contain indemnities, warranties, representations and undertakings to be given by CDI Holders and limitations on the liability of the issuer of the CDIs, the CREST Depository.
- (f) CDI Holders may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the money invested by them. The attention of potential investors is drawn to the terms of the CREST Deed Poll, the CREST Manual and the CREST Rules, copies of which are available from the CREST website at www.euroclear.com/site/public/EUI.
- (g) Potential investors should note that CDI Holders may be required to pay fees, charges, costs and expenses to the CREST Depository in connection with the use of the CREST International Settlement Links Service. These will include the fees and expenses charged by the CREST Depository in respect of the provision of services by it under the CREST Deed Poll and any taxes, duties, charges, costs or expenses which may be or become payable in connection with the holding of the Notes through the CREST International Settlement Links Service.
- (h) Potential investors should note that none of the Obligor, the relevant Dealer, the Trustee and the Paying Agents will have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

Potential investors should note that Bearer Notes represented upon issue by a Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note will not be immediately eligible for CREST settlement as CDIs. In such case, investors investing in the Underlying Notes through CDIs will only receive the CDIs after such Temporary Bearer Global Note is exchanged for a Permanent Bearer Global Note, which could take up to 40 days after the issue of the Notes. It is anticipated that Notes eligible for CREST settlement as CDIs will be issued (i) (in the case of Bearer Notes) directly in permanent global form or (ii) in registered global form.

Taxation

U.S. Taxation

The applicable Final Terms relating to any Tranche of Notes, all or a portion of which are to be offered or sold to, or for the account or benefit of, a U.S. person may set forth information regarding the United States Federal income tax treatment of any such Notes. U.S. persons considering the purchase of Notes should consult their own tax advisers concerning the application of United States Federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of Notes arising under the laws of any other taxing jurisdictions.

U.K. Taxation

The following applies only to persons who are the beneficial owners of Notes and is a summary of the Obligors' understanding of current law and published practice in the United Kingdom relating only to United Kingdom withholding tax treatment of payments of principal and interest in respect of Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

Interest on the Notes

Payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. The London Stock Exchange is a recognised stock exchange. Securities will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the FSMA) and admitted to trading on the London Stock Exchange. Notes to be traded on a recognised stock exchange outside the United Kingdom will be treated as listed on a recognised stock exchange if (and only if) they are admitted to trading on that exchange and they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange. Provided, therefore, that the Notes remain listed on a recognised stock exchange, interest on the Notes will be payable without withholding or deduction on account of United Kingdom tax.

Interest on the Notes may also be paid without withholding or deduction on account of United Kingdom tax where interest on the Notes is paid by a company and, at the time the payment is made, the relevant Issuer reasonably believes (and any person by or through whom interest on the Notes is paid reasonably believes) that the beneficial owner is within the charge to United Kingdom corporation tax as regards the payment of interest; provided that HMRC has not given a direction (in circumstances where it has reasonable grounds to believe that the above exemption is not available in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax.

Interest on the Notes may also be paid without withholding or deduction on account of United Kingdom tax where the maturity of the Notes is less than 365 days from the date of issue and which are not issued under arrangements the effect of which is to render such Notes part of a borrowing intended to be capable of remaining outstanding for more than 364 days. HMRC issued a consultation document on 27 March 2012 entitled "Possible changes to income tax rule on interest", in which the United Kingdom government has invited views on repealing this exemption from the obligation to withhold or deduct for or on account of United Kingdom income tax.

In other cases, an amount must generally be withheld from payments of interest on the Notes on account of United Kingdom income tax at the basic rate (currently 20%). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the relevant Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

Payments by Guarantor

If the Guarantor makes any payments in respect of interest on the Notes (or other amounts due under the Notes other than the repayment of amounts subscribed for the Notes) such payments may be subject to United

Kingdom withholding tax at the basic rate (currently 20%) subject to such relief as may be available following a direction by HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply. Such payments by the Guarantor may not be eligible for the exemptions described above.

Other Rules Relating to United Kingdom Withholding Tax

Notes may be issued at an issue price of less than 100 per cent. of their principal amount. Any discount element on any such Notes will not be subject to any United Kingdom withholding tax pursuant to the provisions mentioned above, but may be subject to reporting requirements as outlined below.

Where Notes are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest are subject to United Kingdom withholding tax as outlined above and reporting requirements as outlined below.

Where interest has been paid under deduction of United Kingdom income tax, Noteholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.

The references to “interest” above mean “interest” as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of “interest” or “principal” which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation.

The above description of the United Kingdom withholding tax position does not consider the tax consequences of any substitution of the relevant Issuer as provided by Condition 15.

Provision of Information

Noteholders may wish to note that, in certain circumstances, HMRC has power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays or credits interest to or receives interest for the benefit of a Noteholder. For these purposes, “interest” should be taken, for practical purposes, as including payments made by a guarantor in respect of interest on the Notes. HMRC also has power, in certain circumstances, to obtain information from any person in the United Kingdom who pays amounts payable on the redemption of Notes which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005 to or receives such amounts for the benefit of another person, although HMRC published practice indicates that HMRC will not exercise the power referred to above to require this information in respect of amounts payable on the redemption of deeply discounted securities where such amounts are paid on or before 5 April 2013. Such information may include the name and address of the beneficial owner of the amount payable on redemption. Any information obtained may, in certain circumstances, be exchanged by HMRC with the tax authorities of the jurisdiction in which the Noteholder is resident for tax purposes.

EU Savings Directive

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

The European Commission has proposed certain amendments to the Directive which may, if implemented, amend or broaden the scope of the requirements described above.

Subscription and Sale and Transfer and Selling Restrictions

The Dealers have, in an amended and restated programme agreement (the **Programme Agreement**) dated 26 June 2012, agreed with the Obligors 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 Obligors have agreed to reimburse the Dealers for certain of their expenses in connection with 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.

Transfer Restrictions

As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Each purchaser of Registered Notes (other than a person purchasing an interest in a Registered Global Note with a view to holding it in the form of an interest in the same Global Note) or person wishing to transfer an interest from one Registered Global Note to another or from global to definitive form or vice versa, will be required to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

- (i) that either: (a) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs, it is not formed for the purpose of investing in the Notes and it is aware that any sale to it is being made in reliance on Rule 144A or (b) it is outside the United States and is not a U.S. person;
- (ii) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (iii) that, unless it holds an interest in a Regulation S Global Note and either is a person located outside the United States or is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will not do so, prior to the expiration of the applicable required holding period determined pursuant to Rule 144 starting from the later of the last Issue Date for the Series and the last date on which the relevant Issuer or an affiliate of the relevant Issuer was the owner of such Notes, other than (a) to the relevant Issuer or any affiliate thereof, (b) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (c) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act, (d) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available) or (e) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. state securities laws;
- (iv) it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (iii) above, if then applicable;
- (v) that Notes initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Notes, and that Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes;
- (vi) that the Notes, other than the Regulation S Global Notes, will bear a legend to the following effect unless otherwise agreed to by the relevant Issuer:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY

AGREEMENT AND, PRIOR TO THE DATE WHICH IS TWO YEARS AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF SUCH SECURITIES OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THE SECURITIES REPRESENTED HEREBY ARE TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144A FOR REALES OF THE SECURITY.

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

- (vii) if it is outside the United States and is not a U.S. person, that if it should resell or otherwise transfer the Notes prior to the expiration of the distribution compliance period (defined as 40 days after the later of the commencement of the offering and the closing date with respect to the original issuance of the Notes), it will do so only (a)(i) outside the United States in compliance with Rule 903 or 904 under the Securities Act or (ii) to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in compliance with Rule 144A and (b) in accordance with all applicable U.S. State securities laws; and it acknowledges that the Regulation S Global Notes will bear a legend to the following effect unless otherwise agreed to by the relevant Issuer:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART.”; and

- (viii) that the relevant Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the relevant Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

No sale of Legended Notes in the United States to any one purchaser will be for less than U.S.\$100,000 (or its foreign currency equivalent) principal amount and no Legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$100,000 (or its foreign currency equivalent) of Registered Notes.

Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Selling Restrictions

United States

The Notes and the Guarantee have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be delivered, offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions not subject to 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 in bearer form 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.

In connection with any Notes which are offered or sold outside the United States in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S (**Regulation S Notes**), 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 such Regulation S Notes (i) as part of their distribution at any time or (ii) 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 Regulation S 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 Regulation S Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S 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.

Dealers may arrange for the resale of Notes to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Notes which may be purchased by a QIB pursuant to Rule 144A is U.S.\$100,000 (or the approximate equivalent thereof in any other currency). To the extent that the relevant Issuer or, in the case of Senior Notes issued by ICAP, IGHP is not subject to or does not comply with the reporting requirements of Section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, each of the Obligors has agreed to furnish to holders of Notes and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4).

Each issuance of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the relevant Issuer 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 Restriction 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 the subject of the offering contemplated by this Offering Circular 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) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or
- (d) 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 (b) to (d) above shall require the relevant Issuer, the Guarantor (if applicable) 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.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) by the relevant Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the relevant Issuer or, in the case of Senior Notes issued by ICAP, the Guarantor; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act 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.

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 subscribes for, purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and any related offering materials and will obtain any consent, approval or permission required by it for the subscription for, 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 subscriptions, purchases, offers, sales or deliveries and none of the Obligors, the Trustee and any of the other Dealers shall have any responsibility therefor.

None of Obligors, the Trustee and 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 as the relevant Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

General Information

Authorisation

The establishment and subsequent update of the Programme by ICAP has been duly authorised by resolutions of the Board of Directors of ICAP dated 15 May 2008 and 14 June 2012, and resolutions of a duly constituted committee of the Board of Directors of ICAP dated 13 June 2008 and 25 June 2012. The accession to the Programme by IGHP has been duly authorised by resolutions of the Board of Directors of IGHP dated 29 June 2009 and 25 June 2012.

Listing of Notes

It is expected that each Tranche of Notes which is to be admitted to the Official List and to trading on the London Stock Exchange's regulated market will be admitted separately as and when issued, subject only to the issue of a Global Note or Notes initially representing the Notes of such Tranche. Application has been made to the UK Listing Authority for Notes issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange's regulated market. The listing of the Programme in respect of Notes is expected to be granted on or about 29 June 2012.

Documents Available

Copies of the following documents will, when published, be available from the registered office of each of the Obligor and from the specified office of the Paying Agent for the time being in London:

- (i) the Memorandum and Articles of Association of each of the Obligor;
- (ii) the audited consolidated financial statements of ICAP in respect of the financial years ended 31 March 2011 and 31 March 2012, in each case together with the audit reports prepared in connection therewith;
- (iii) the consolidated financial statements of IGHP in respect of the financial years ended 31 March 2010 and 31 March 2011, in each case together with the audit reports prepared in connection therewith;
- (iv) the most recently published audited annual financial statements of each of the Obligor and the most recently published unaudited interim financial statements of each of the Obligor, in each case together with any audit or review reports prepared in connection therewith;
- (v) the Programme Agreement, the Trust Deed, the Agency Agreement and the forms of the Global Notes, the Notes in definitive form, the Receipts, the Coupons and the Talons;
- (vi) a copy of this Offering Circular; and
- (vii) any future offering circulars, prospectuses, information memoranda and supplements including Final Terms (save that a Final Terms relating to a Note which 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 will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Obligor and the Paying Agent as to its holding of Notes and identity) to this Offering Circular and any other documents incorporated herein or therein by reference.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. 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. In addition, the relevant Issuer may make an application for any Notes in registered form to be accepted for trading in book-entry form by DTC. The CUSIP and/or CINS numbers for each Tranche of such Registered Notes, together with the relevant ISIN and (if applicable) common code, 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-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of DTC is 55 Water Street, New York, New York 10041.

If so specified in the applicable Final Terms, interests in the Notes may also be held through CREST through the issuance of CDIs representing Underlying Notes. The address of CREST is Euroclear UK & Ireland, 33 Cannon Street, London EC4M 5SB.

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 ICAP, IGHP or the Group since 31 March 2012 and there has been no material adverse change in the financial position or prospects of ICAP, IGHP or the Group since 31 March 2012 in the case of ICAP and the Group, or since 31 March 2011 in the case of IGHP.

Litigation

None of ICAP, IGHP and 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 either ICAP or IGHP is 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 ICAP, IGHP or the Group.

Auditors

The auditors of the Obligors are PricewaterhouseCoopers LLP, Chartered Accountants and Registered Auditors, who have audited ICAP's accounts, without qualification, in accordance with IFRS for each of the two financial years ended on 31 March 2012 and who have audited IGHP's accounts, without qualification, in accordance with IFRS for each of the two financial years ended on 31 March 2011. The auditors of the Obligors have no material interest in either ICAP or IGHP.

Post-issuance information

Unless specified in the applicable Final Terms, neither ICAP nor IGHP intends to provide any post-issuance information in relation to any issue of Notes.

Dealers transacting with the Obligors

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

Financial Information

The consolidated unaudited financial statements of IGHP in respect of the six-months ended 30 September 2011

	Period ended 30 September 2011 £m	Restated Period ended 30 September 2010 £m	Restated Year ended 31 March 2011 £m
Consolidated income statement			
Continuing operations			
Revenue	780	763	1,541
Operating expenses.....	(635)	(617)	(1,263)
Other income.....	14	15	19
Operating profit	159	161	297
Finance income.....	5	4	8
Finance costs.....	(21)	(38)	(83)
Share of profits/(loss) of associates after tax.....	2	(4)	(5)
Profit before tax from continuing operations	145	123	217
Tax.....	(48)	(23)	(39)
Profit for the period	97	100	178
Attributable to:			
Owners of the Company.....	97	100	178
Non-controlling interests.....	-	-	-
	97	100	178

	Period ended 30 September 2011 £m	Restated Period ended 30 September 2010 £m	Restated Year ended 31 March 2011 £m
Consolidated statement of comprehensive income			
Profit for the period.....	97	100	178
Other comprehensive income			
Net movement on cash flow hedges.....	(1)	3	(2)
Net exchange adjustments on investments in overseas subsidiaries.....	13	(28)	(21)
Revaluation gains in the period.....	-	-	1
Net current tax recognised in other comprehensive income.....	4	-	(1)
Other comprehensive income/(loss) for the period	16	(25)	(23)
Total comprehensive income for the period	113	75	155
Total comprehensive income attributable to:			
Owners of the Company.....	113	75	155
Non-controlling interests.....	-	-	-
	113	75	155

	Share capital £m	Other reserves £m	Translation £m	Retained earnings £m	Attributable to owners of the Company £m	Non-controlling interests £m	Total £m
Consolidated statement of changes in equity							
Balance at 1 April 2010 - restated	233	349	170	471	1,223	3	1,226
Total comprehensive income for the period	-	3	(28)	100	75	-	75
Share-based payments in the period	-	-	-	4	4	-	4
Other movements	-	(16)	-	-	(16)	-	(16)
Dividends paid in the period	-	-	-	(201)	(201)	-	(201)
Balance at 30 September 2010 - restated	233	336	142	374	1,085	3	1,088
Total comprehensive income for the period	-	(4)	7	77	80	-	80
Share-based payments in the period	-	-	-	4	4	-	4
Other movements	-	2	-	-	2	-	2
Dividends paid in the period	-	-	-	(500)	(500)	-	(500)
Balance at 31 March 2011 - restated	233	334	149	(45)	671	3	674
Total comprehensive income for the period	-	(1)	13	101	113	-	113
Share-based payments in the period	-	-	-	4	4	-	4
Other movements	-	(2)	-	-	(2)	-	(2)
Other movements in non-controlling interests	-	-	-	-	-	(1)	(1)
Balance at 30 September 2011	233	331	162	60	786	2	788

	As at 30 September 2011 £m	Restated As at 30 September 2010 £m	Restated As at 31 March 2011 £m
Consolidated balance sheet			
Assets			
Non-current assets			
Intangible assets arising on consolidation	1,291	1,362	1,306
Intangible assets arising from development expenditure	58	67	59
Property and equipment	72	54	67
Investment in associates	20	20	20
Deferred tax assets	12	20	14
Trade and other receivables	10	9	6
Available-for-sale investments	25	24	26
	1,488	1,556	1,498
Current assets			
Trade and other receivables	47,473	60,310	72,471
Available-for-sale investments	-	1	1
Restricted funds	81	50	64
Cash and cash equivalents	440	301	299
	47,994	60,662	72,835
Total assets	49,482	62,218	74,333
Liabilities			
Current liabilities			
Trade and other payables	(47,145)	(59,563)	(72,252)
Short-term borrowings and overdrafts	(325)	(214)	(183)
Tax payable	(108)	(205)	(100)
Short-term provisions	-	(3)	-
	(47,578)	(59,985)	(72,535)
Non-current liabilities			
Trade and other payables	(733)	(725)	(726)
Long-term borrowings	(260)	(262)	(262)
Deferred tax liabilities	(114)	(147)	(128)
Retirement benefit obligations	(1)	(1)	(1)
Long-term provisions	(8)	(10)	(7)
	(1,116)	(1,145)	(1,124)
Total liabilities	(48,694)	(61,130)	(73,659)

	As at 30 September 2011 £m	Restated As at 30 September 2010 £m	Restated As at 31 March 2011 £m
Consolidated balance sheet			
Net assets	788	1,088	674
Equity			
Capital and reserves			
Called up share capital	233	233	233
Other reserves	331	336	334
Translation	162	142	149
Retained earnings	60	374	(45)
Equity attributable to owners of the Company	786	1,085	671
Non-controlling interests	2	3	3
Total equity	788	1,088	674
	Six months ended 30 September 2011 £m	Restated Six months ended 30 September 2010 £m	Restated Year ended 31 March 2011 £m
Consolidated statement of cash flow			
Cash flows from operating activities	19	20	98
Cash flows from investing activities			
Dividends received from associates	1	-	-
Other equity dividends received	2	-	-
Payments to acquire property and equipment	(12)	(7)	(33)
Intangible development expenditure	(8)	(9)	(22)
Net cash flow on available-for-sale investments	-	(9)	(10)
Acquisition of interests in businesses net of cash acquired	-	(7)	(7)
Acquisition of associates and joint ventures	-	-	(2)
Net cash flows from investing activities	(17)	(32)	(74)
Cash flows from financing activities			
Dividends paid to owners of the Company	-	(1)	(1)
Proceeds from issue of ordinary shares to minority interest	-	1	1
Repayment of borrowings	-	(320)	(337)
Funds received from borrowing, net of fees	125	312	305
Net cash flows from financing activities	125	(8)	(32)
Exchange adjustment	9	(6)	(15)
Net increase/(decrease) in cash and cash equivalents	136	(26)	(23)
Net cash and cash equivalents at beginning of period	299	322	322
Net cash and cash equivalents at end of period	435	296	299
Net cash and cash equivalents consists of:			
Cash and cash equivalents	440	301	299
Bank overdrafts	(5)	(5)	-
Net cash and cash equivalents at end of period	435	296	299

Note: Reconciliation of profit before tax to net cash flow from operating activities

	Six months ended 30 September 2011 £m	Restated Six months ended 30 September 2010 £m	Restated Year ended 31 March 2011 £m
Profit before tax from continuing operations	145	123	217
Operating exceptional items	-	3	(3)
Share of operating profits of associates after tax	(2)	(1)	-
Amortisation and impairment of intangible assets arising on consolidation..	35	38	83
Amortisation and impairment of intangible assets arising from development expenditure	11	9	29
Depreciation of property and equipment	8	11	19
Other amortisation and impairments	-	5	6
Share-based payments	4	4	8
Merger reserve adjustment	-	(16)	(14)
Non-exceptional net finance expense	19	14	55
Exceptional net finance expense	-	20	20
Operating cash flows before movements in working capital	220	210	420
(Increase)/decrease in trade and other receivables	(15)	141	135
(Increase)/decrease in restricted funds	(17)	23	7
Decrease in trade and other payables	(103)	(316)	(366)
Net receipts in respect of financial assets held at fair value	-	1	-
Cash generated by operations before exceptional items paid	85	59	196
Operating exceptional items paid	-	(2)	(21)
Cash generated by operations	85	57	175
Interest received	1	2	2
Interest paid	(17)	(14)	(25)
Tax paid	(50)	(25)	(54)
Net cash flow from operating activities	19	20	98

Note: Borrowings

	As at 30 September 2011 £m	As at 30 September 2010 £m	As at 31 March 2011 £m
Long-term borrowings			
Five year senior notes	260	262	262
	260	262	262
Short-term borrowings			
Bank overdrafts	5	5	-
Revolving credit facilities – net of fees	320	209	183
	325	214	183

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