

DATED 28 MAY 2020

GULF INTERNATIONAL BANK B.S.C.
(INCORPORATED IN BAHRAIN BY AN AMIRI DECREE)
(AS ISSUER)

DEED OF COVENANT
RELATING TO A U.S.\$2,500,000,000
EURO MEDIUM TERM NOTE PROGRAMME

CONTENTS

Clause	Page
1. Interpretation	2
2. The Registered Notes	4
3. Direct Rights.....	4
4. Evidence	5
5. Deposit of Deed of Covenant	5
6. Stamp Duties	5
7. Benefit of Deed of Covenant.....	5
8. Partial Invalidity	6
9. Notices.....	6
10. Governing Law and Dispute Resolution	7
11. Modification	9

THIS DEED OF COVENANT is made on 28 May 2020

BY

- (1) **GULF INTERNATIONAL BANK B.S.C.** (the "**Issuer**")

IN FAVOUR OF

- (2) **THE ACCOUNTHOLDERS** (as defined below); and
- (3) **THE PERSONS** for the time being and from time to time registered as holders of the Registered Notes referred to below (the "**Holders**" of Registered Notes and, together with the Accountholders, the "**Beneficiaries**").

WHEREAS

- (A) The Issuer has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of notes (the "**Notes**"), in connection with which it has entered into an amended and restated dealer agreement dated 28 May 2020 (the "**Dealer Agreement**") and an amended and restated fiscal and paying agency agreement dated 28 May 2020 (the "**Agency Agreement**").
- (B) The Issuer has made applications to the United Kingdom Financial Conduct Authority in its capacity as competent authority under Part VI of the Financial Services and Markets Act 2000 (the "**FCA**") for Notes issued under the Programme (other than Exempt Notes (as defined below)) during the period of 12 months from the date of the Base Prospectus (as defined below) to be admitted to the Official List of the FCA and to the London Stock Exchange plc (the "**London Stock Exchange**") for such Notes to be admitted to trading on the London Stock Exchange's regulated market (the "**Regulated Market**"). The Regulated Market is a regulated market for purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU) (as amended, "**MiFID II**") in the European Economic Area ("**EEA**") and the United Kingdom. Notes may also be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or that they will be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed between the Issuer and the Relevant Dealer(s) (as defined in the Dealer Agreement).
- (C) In connection with the Programme, the Issuer has prepared a base prospectus dated 28 May 2020 (the "**Base Prospectus**") which comprises a base prospectus for the purposes of Article 8 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**").
- (D) Each Tranche of Notes issued under the Programme will be issued pursuant to the Base Prospectus describing the Programme, as completed and/or supplemented by a document specific to such tranche, describing the final terms of the particular Tranche of Notes (the "**Final Terms**") (or, in the case of Exempt Notes, the Pricing Supplement (as defined below)).
- (E) Notes issued under the Programme may be issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"). Bearer Notes may be represented initially by a temporary global note (the "**Temporary Global Note**") exchangeable in accordance with its terms for a permanent global note (the "**Permanent Global Note**") or, as the

case may be, definitive Notes ("**Definitive Notes**"). Permanent Global Notes are, in accordance with their respective terms, exchangeable for Definitive Notes. Registered Notes may be represented by individual note certificates (each an "**Individual Note Certificate**") or by registered Notes delivered to, and registered in the name of, a nominee for a Clearing System (each a "**Global Registered Note**"). References herein to a "**Global Note**" shall, as the context may require, be to a Temporary Global Note, a Permanent Global Note or a Global Registered Note.

- (F) The Issuer wishes to constitute the Registered Notes by deed poll and to make arrangements for the protection of the interests of Accountholders in the event that, in the circumstances specified in each Global Note, the bearer of a Global Note in bearer form or the Holder of the Global Registered Note cease to have rights under such Global Note in accordance with its terms.

NOW THIS DEED OF COVENANT WITNESSES as follows:

1. **INTERPRETATION**

1.1 **Definitions**

All terms and expressions which have defined meanings in the Base Prospectus, the Dealer Agreement or the Agency Agreement shall have the same meanings in this Deed of Covenant except where the context requires otherwise or unless otherwise stated. In addition, in this Deed of Covenant the following expressions have the following meanings:

"**Accountholder**" means any accountholder with a Clearing System which at the Determination Date has credited to its securities account with such Clearing System one or more Entries in respect of a Global Note, except for any Clearing System in its capacity as an accountholder of another Clearing System;

"**Clearing System**" means each of Euroclear Bank SA/NV, Clearstream, Banking S.A., and any other clearing system specified in the relevant Final Terms (or in the relevant Pricing Supplement, as applicable);

"**Conditions**" has the meaning given in the Base Prospectus except that, in relation to any particular Tranche of Notes, it means the Conditions (as defined in the Base Prospectus) as completed by the relevant Final Terms (or as completed, modified and/or supplemented by the relevant Pricing Supplement, as applicable), and any reference to a numbered Condition shall be construed accordingly;

"**Determination Date**" means, in relation to any Global Note, the date on which the bearer of the Global Note in bearer form or the Holder of the Global Registered Note, as applicable, cease to have rights under such Global Note in accordance with its terms;

"**Direct Rights**" means the rights referred to in Clause 3.1 (*Direct Rights – Creation*);

"**Entry**" means, in relation to a Global Note, any entry which is made in the securities account of any Accountholder with a Clearing System in respect of Notes represented by such Global Note; and

"Principal Amount" means, in respect of any Entry, the aggregate principal amount of the Notes to which such Entry relates.

1.2 **Clauses**

Any reference in this Deed of Covenant to a **"Clause"** is, unless otherwise stated, to a clause hereof.

1.3 **Other agreements**

All references in this Deed of Covenant to an agreement, instrument or other document (including the Base Prospectus, the Dealer Agreement and the Agency Agreement) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, replaced or novated from time to time. In addition, in the context of any particular Tranche of Notes, each reference in this Deed of Covenant to the Base Prospectus shall be construed as a reference to the Base Prospectus as completed by the relevant Final Terms (or as completed, modified and/or supplemented by the relevant Pricing Supplement, as applicable).

1.4 **Legislation**

Any reference in this Deed of Covenant to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

1.5 **Headings**

Headings and sub-headings are for ease of reference only and shall not affect the construction of this Deed of Covenant.

1.6 **Benefit of Deed of Covenant**

Any Notes issued under the Programme on or after the date of this Deed of Covenant shall have the benefit of this Deed of Covenant but shall not have the benefit of any subsequent deed of covenant relating to the Programme (unless expressly so provided in any such subsequent deed).

1.7 **Final Terms or Pricing Supplement**

In the case of a Tranche of Notes which will not be admitted to listing, trading on a regulated market for the purposes of MiFID II in the EEA or the United Kingdom and/or quotation by any competent authority, stock exchange and/or quotation system (**"Exempt Notes"**) and, accordingly, for which no base prospectus is required to be produced in accordance with the Prospectus Regulation, a pricing supplement (a **"Pricing Supplement"**) will be issued describing the final terms of such Tranche of Exempt Notes. Each reference in this Deed of Covenant to **"Final Terms"** shall, in the case of a Tranche of Exempt Notes, be read and construed as a reference to such Pricing Supplement unless the context requires otherwise.

2. THE REGISTERED NOTES

The Issuer hereby constitutes the Individual Note Certificates and the Global Registered Notes and covenants in favour of each Holder of a Registered Note that it will duly perform and comply with the obligations expressed to be undertaken by it in each Individual Note Certificate and each Global Registered Note and in the Conditions (and for this purpose any reference in the Conditions to any obligation or payment under or in respect of the Notes shall be construed to include a reference to any obligation or payment under or pursuant to this provision).

3. DIRECT RIGHTS

3.1 Creation

If at any time the bearer of any Global Note in bearer form or the Holder of any Global Registered Note representing all or part of a Tranche of Notes ceases to have rights under such Global Note in accordance with its terms, each Accountholder shall have against the Issuer all rights ("**Direct Rights**") which such Accountholder would have had in respect of the Notes if, immediately before the Determination Date in relation to that Global Note, it had been the Holder of Definitive Notes or Individual Note Certificates, as the case may be, of that Tranche, duly executed, authenticated and issued, in an aggregate principal amount equal to the Principal Amount of such Accountholder's Entries relating to such Global Note including (without limitation) the right to receive all payments due at any time in respect of such Definitive Notes or Individual Note Certificates as if such Definitive Notes or Individual Note Certificates had (where required by the Conditions) been duly presented and (where required by the Conditions) surrendered on the due date in accordance with the Conditions. Anything which might prevent the issuance of Definitive Notes or Individual Note Certificates in an aggregate principal amount equal to the Principal Amount of any Entry of any Accountholder shall be disregarded for the purposes of this Clause 3.1, but without prejudice to its effectiveness for any other purpose.

3.2 No Further Action

No further action shall be required on the part of the Issuer or any other person:

3.2.1 *Direct Rights*: for the Accountholders to enjoy the Direct Rights; or

3.2.2 *Benefit of the Conditions*: for each Accountholder to have the benefit of the Conditions as if they had been incorporated *mutatis mutandis* into this Deed of Covenant,

provided that nothing herein shall entitle any Accountholder to receive any payment in respect of any Global Note which has already been made.

4. **EVIDENCE**

4.1 **Records**

The records of the Clearing Systems shall be conclusive as to the identity of the Accountholders and the respective amounts of Notes credited to their securities accounts and a statement issued by a Clearing System setting out:

4.1.1 *Name*: the name of the Accountholder in respect of which it is issued; and

4.1.2 *Principal Amount*: the Principal Amount of any Entry credited to the securities account of such Accountholder with such Clearing System on any date,

shall be conclusive evidence for all purposes of this Deed of Covenant.

4.2 **Determination Date**

If a Clearing System determines the Determination Date, such determination shall be binding on all Accountholders with such Clearing System.

5. **DEPOSIT OF DEED OF COVENANT**

This Deed of Covenant shall be deposited with and held by the Fiscal Agent for so long as the Programme remains in effect and thereafter until the date on which all the obligations of the Issuer under or in respect of the Notes (including, without limitation, its obligations under this Deed of Covenant) have been discharged in full. The Issuer hereby acknowledges the right of every Beneficiary to the production of this Deed of Covenant.

6. **STAMP DUTIES**

The Issuer shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which may be payable upon or in connection with the execution and delivery of this Deed of Covenant, and shall indemnify each Beneficiary against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any applicable value added tax) which it may incur or which may be made against it as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

7. **BENEFIT OF DEED OF COVENANT**

7.1 **Deed Poll**

This Deed of Covenant shall take effect as a deed poll for the benefit of the Beneficiaries from time to time.

7.2 **Benefit**

This Deed of Covenant shall enure to the benefit of each Beneficiary and its (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed of Covenant against the Issuer.

7.3 **Assignment**

The Issuer shall not be entitled to assign or transfer all or any of its rights, benefits and obligations hereunder. Each Beneficiary shall be entitled to assign all or any of its rights and benefits hereunder.

8. **PARTIAL INVALIDITY**

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

9. **NOTICES**

9.1 **Address for notices**

All notices and other communications to the Issuer hereunder shall be made in writing (by letter, fax or electronic communication) and shall be sent to the Issuer at:

Gulf International Bank B.S.C.
P.O. Box 1017
Al-Dowali Building
3 Palace Avenue
Manama
Bahrain

E-mail: sebastian.klein@gib.com
Attention: Sebastian Klein, Group Head of Financial Institutions

or to such other address, e-mail address or fax number or for the attention of such other person or department as the Issuer has notified to the Noteholders in the manner prescribed for the giving of notices in connection with the Notes.

9.2 **Effectiveness**

Every notice or other communication sent in accordance with Clause 9.1 (*Address for notices*) shall be effective as follows:

9.2.1 *Letter or fax:* if sent by letter or fax, upon receipt by the Issuer; and

9.2.2 *Electronic communication:* if sent by e-mail, when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication,

provided that any such notice or other communication which would otherwise take effect after 4.00 p.m. (Bahrain time) on any particular day shall not take effect until 10.00 a.m. (Bahrain time) on the immediately succeeding business day in the place of the Issuer.

10. GOVERNING LAW AND DISPUTE RESOLUTION

10.1 Governing law

This Deed of Covenant and any non contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

10.2 Arbitration

Subject to Clause 10.3 (*Beneficiaries' option to litigate*), any dispute, claim, difference or controversy arising out of, relating to or connected with this Deed of Covenant (including a dispute regarding the existence, validity, interpretation, performance, breach or termination of this Deed of Covenant or the consequences of its nullity or any non-contractual obligations arising out of or in connection with it) (a "**Dispute**") shall be referred to and finally resolved by arbitration under the London Court of International Arbitration ("**LCIA**") Arbitration Rules (the "**Rules**"), which Rules (as amended from time to time) are deemed to be incorporated by reference into this Clause 10.2. For these purposes:

- 10.2.1 there shall be three arbitrators, each of whom shall be disinterested in the arbitration, shall have no connection with any party thereto and shall be an attorney experienced in international securities transactions. The parties to the Dispute shall each nominate one arbitrator and both arbitrators in turn shall appoint a further arbitrator who shall be the chairman of the tribunal. In cases where there are multiple claimants and/or multiple respondents, the class of claimants jointly, and the class of respondents jointly shall each nominate one arbitrator. Without prejudice to Article 8 of the LCIA Rules, in the event that one party or both fails to nominate an arbitrator within the time limits specified by the Rules, such arbitrator(s) shall be appointed by the LCIA. If the party nominated arbitrators fail to nominate the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA;
- 10.2.2 the seat of the arbitration shall be London, England and all hearings shall take place in London, England;
- 10.2.3 the language of the arbitration shall be English;
- 10.2.4 if any Dispute raises issues which are substantially the same as or connected with issues raised in a Dispute which has already been referred to arbitration under this Deed of Covenant (an "**Existing Dispute**") or arises out of substantially the same facts as are the subject of an Existing Dispute (a "**Related Dispute**"), then the arbitral tribunal nominated or appointed in respect of any such Existing Dispute shall also be nominated as the arbitral tribunal in respect of any Related Dispute, save where the arbitral tribunal considers such appointment would be inappropriate;
- 10.2.5 where the same arbitral tribunal has been appointed in relation to two or more Existing Disputes and/or Related Disputes, the arbitral tribunal may, with the agreement of all parties concerned or upon the application of one of the parties,

being a party to each of the Disputes, order that the whole or part of the matters at issue shall be heard together upon such terms or conditions as the arbitral tribunal thinks fit; and

10.2.6 upon the request of a party to a Dispute or upon the request of any Noteholder or any Beneficiary or the Issuer which itself wishes to be joined to arbitration proceedings in relation to a Dispute, the arbitral tribunal may join the Issuer, any Noteholder or any Beneficiary to arbitration proceedings in relation to that Dispute between them. The Issuer and each Beneficiary hereby consents to be joined to arbitration proceedings in relation to any Dispute at the request of a party to that Dispute, and to accept the joinder of a party requesting to be joined pursuant to this sub-clause 10.2.6.

10.3 Beneficiaries' option to litigate

Notwithstanding Clause 10.2 (*Arbitration*), any Beneficiary may, in the alternative, and at its sole discretion, by notice in writing to the Issuer:

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

10.3.2 in the event no arbitration is commenced,

require that a Dispute be heard by a court of law. If any Beneficiary gives such notice, the Dispute to which such notice refers shall be determined in accordance with Clause 10.4 (*Jurisdiction of the English courts*) and, subject as provided below, any arbitration commenced under Clause 10.2 (*Arbitration*) in respect of that Dispute will be terminated. Each person who gives such notice and the recipient of that notice will bear its own costs in relation to the terminated arbitration.

If any notice to terminate is given after service of any Request for Arbitration in respect of any Dispute, the relevant Beneficiary must also within 28 days of service of a Request for Arbitration give notice to the LCIA Court and to any Tribunal (each as defined in the Rules) already appointed in relation to the Dispute that such Dispute will be settled by the courts. Upon receipt of such notice by the LCIA Court, the arbitration and any appointment or any arbitrator in relation to such Dispute will immediately terminate. Any such arbitrator will be deemed to be *functus officio*. The termination is without prejudice to:

- (a) the validity of any act done or order made by that arbitrator or by the court in support of that arbitration before his appointment is terminated;
- (b) his entitlement to be paid his proper fees and disbursements; and
- (c) the date when any claim or defence was raised for the purpose of applying any limitation bar or any similar rule or provision.

10.4 **Jurisdiction of the English courts**

In the event that a Beneficiary issues a notice pursuant to Clause 10.3 (*Beneficiaries' option to litigate*), the following provisions shall apply:

- 10.4.1 subject to sub-clause 10.4.3 below, the courts of England shall have exclusive jurisdiction to settle any Dispute;
- 10.4.2 the Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary; and
- 10.4.3 this Clause 10.4 is for the benefit of the Beneficiaries only. As a result, and notwithstanding sub-clause 10.4.1 above, any Beneficiary may take proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, Beneficiaries may take concurrent Proceedings in any number of jurisdictions.

10.5 **Service of process**

The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to its London branch situated at One Knightsbridge, London, SW1X 7XS or such other address as the Issuer may notify to the Beneficiaries in accordance with Condition 19 (*Notices*) of the Conditions or at any address for the time being at which service of process may be served on it in accordance with the Companies Act 2006 or equivalent provisions from time to time in force. Nothing in this Clause 10.5 shall affect the right of any Beneficiary to serve process in any other manner permitted by law. This Clause 10.5 applies to Proceedings in England and to Proceedings elsewhere.

10.6 **Waiver of immunity**

To the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues (presently owned or subsequently acquired or generated, and whether related to the Notes or not) immunity from suit, execution, attachment (whether in aid of execution, before judgment or award or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues (presently owned or subsequently acquired or generated, and whether related to the Notes or not), the Issuer agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction and, in particular, to the intent that in any Proceedings, including Proceedings in support of arbitration and Proceedings to enforce an award, taken in the County of New York the foregoing waiver of immunity shall have the fullest scope permitted under the United States Foreign Sovereign Immunities Act of 1976 and is intended to be irrevocable for the purposes of such Act.

11. **MODIFICATION**

The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of


this Deed of Covenant. Any such modification may be made by supplemental deed poll if sanctioned by an Extraordinary Resolution and shall be binding on all Beneficiaries (to the extent that this Deed of Covenant relates to the relevant Series of Notes).

IN WITNESS WHEREOF this Deed of Covenant has been executed by the Issuer and is intended to be and is hereby delivered on the date first before written.

EXECUTED as a **DEED** by
GULF INTERNATIONAL BANK B.S.C.
acting on the authority
of that company
in the presence of:

)
)
)
)
)
)



Witness: 

Name: Ramnath Narayanan

Address: **C/O GULF INTERNATIONAL BANK B.S.C.**
3, Palace Avenue, Diplomatic Area
P.O. Box 1017
Manama - Kingdom of Bahrain