

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): **August 10, 2016**

**AMERICAN HONDA FINANCE CORPORATION**

(Exact Name of Registrant as Specified in Its Charter)

**001-36111**  
(Commission File Number)

**California**  
(State or Other Jurisdiction of Incorporation)

**95-3472715**  
(I.R.S. Employer Identification  
No.)

**20800 Madrona Avenue,  
Torrance, California**  
(Address of Principal Executive  
Offices)

**90503**  
(Zip Code)

**(310) 972-2288**  
(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

### **Item 8.01. Other Events.**

On August 10, 2016, American Honda Finance Corporation (the “Company”) renewed its Medium-Term Note Program, under which the Company may issue from time to time its Medium-Term Notes, Series A. Any such issuance will be under the Company’s previously filed Registration Statement on Form S-3 (Registration No. 333-213047) and the related Prospectus dated August 10, 2016 and Prospectus Supplement dated August 10, 2016, as each may be amended or supplemented from time to time.

### **Item 9.01. Financial Statements and Exhibits.**

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
1.1	First Amended and Restated Distribution Agreement, dated August 10, 2016, between the Company and Merrill Lynch, Pierce, Fenner & Smith Incorporated, Barclays Capital Inc., BNP Paribas Securities Corp., BNY Mellon Capital Markets, LLC, Citigroup Global Markets Inc., Deutsche Bank Securities Inc., HSBC Securities (USA) Inc., J.P. Morgan Securities LLC, Lloyds Securities Inc., Mizuho Securities USA Inc., Morgan Stanley & Co. LLC, RBC Capital Markets, LLC, SMBC Nikko Securities America, Inc., SG Americas Securities, LLC, TD Securities (USA) LLC, U.S. Bancorp Investments, Inc. and Wells Fargo Securities, LLC.
4.1	Form of Fixed Rate Medium-Term Note, Series A (incorporated herein by reference to Exhibit 4.1 to the Company’s Current Report on Form 8-K, dated February 12, 2014).
4.2	Form of Floating Rate Medium-Term Note, Series A.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN HONDA FINANCE CORPORATION

Date: August 10, 2016

By: /s/ Paul C. Honda  
Paul C. Honda  
Vice President and Assistant Secretary

## EXHIBIT INDEX

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4.1	Form of Fixed Rate Medium-Term Note, Series A (incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, dated February 12, 2014).
4.2	Form of Floating Rate Medium-Term Note, Series A.

AMERICAN HONDA FINANCE CORPORATION

Medium-Term Notes, Series A  
Due Nine Months or More from Date of Issue

FIRST AMENDED AND RESTATED DISTRIBUTION AGREEMENT

August 10, 2016

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED  
Bank of America Tower  
One Bryant Park  
New York, New York 10036

MIZUHO SECURITIES USA INC.  
320 Park Avenue, 12th Floor  
New York, New York 10022

BARCLAYS CAPITAL INC.  
745 Seventh Avenue  
New York, New York 10019

MORGAN STANLEY & CO. LLC  
1585 Broadway, 29th Floor  
New York, New York 10036

BNP PARIBAS SECURITIES CORP.  
787 Seventh Avenue  
New York, New York 10019

RBC CAPITAL MARKETS, LLC  
200 Vesey Street, 8th Floor  
New York, New York 10281

BNY MELLON CAPITAL MARKETS, LLC  
101 Barclay Street, 3rd Floor  
New York, New York 10286

SMBC NIKKO SECURITIES AMERICA, INC.  
277 Park Avenue  
New York, New York 10172

CITIGROUP GLOBAL MARKETS INC.  
388 Greenwich Street  
New York, New York 10013

SG AMERICAS SECURITIES, LLC  
245 Park Avenue  
New York, New York 10167

DEUTSCHE BANK SECURITIES INC.  
60 Wall Street  
New York, New York 10005

TD SECURITIES (USA) LLC  
31 West 52nd Street, 2nd Floor  
New York, New York 10019

HSBC SECURITIES (USA) INC.  
452 Fifth Avenue  
New York, New York 10018

U.S. BANCORP INVESTMENTS, INC.  
214 N. Tryon Street, 26th Floor  
Charlotte, North Carolina 28202

J.P. MORGAN SECURITIES LLC  
383 Madison Avenue  
New York, New York 10179

WELLS FARGO SECURITIES, LLC  
550 South Tryon Street, 5th Floor  
Charlotte, North Carolina 28202

LLOYDS SECURITIES INC.  
1095 Avenue of the Americas, 34th Floor  
New York, New York 10036

Ladies and Gentlemen:

American Honda Finance Corporation, a California corporation (the “Company”), proposes, subject to the terms and conditions stated herein, to issue and sell from time to time to or through Merrill Lynch, Pierce, Fenner &

Smith Incorporated, Barclays Capital Inc., BNP Paribas Securities Corp., BNY Mellon Capital Markets, LLC, Citigroup Global Markets Inc., Deutsche Bank Securities Inc., HSBC Securities (USA) Inc., J.P. Morgan Securities LLC, Lloyds Securities Inc., Mizuho Securities USA Inc., Morgan Stanley & Co. LLC, RBC Capital Markets, LLC, SMBC Nikko Securities America, Inc., SG Americas Securities, LLC, TD Securities (USA) LLC, U.S. Bancorp Investments, Inc. and Wells Fargo Securities, LLC, each as placement agent and/or principal (each, an “Agent,” and, together with any entity that becomes an agent hereunder pursuant to Section 1(j) hereof, collectively, the “Agents”), Medium-Term Notes, Series A, evidencing one or more obligations of the Company (each, a “Note” and, collectively, the “Notes”), on the terms set forth in this Agreement. “Related Agent,” in connection with any particular offer and sale of Notes, refers to each Agent acting as a placement agent or purchasing as a principal with respect to such Notes.

The Notes shall be issued pursuant to an Indenture, dated as of September 5, 2013 (as the same may be amended or supplemented from time to time, the “Indenture”), between the Company and Deutsche Bank Trust Company Americas, as trustee (the “Trustee,” which term includes any successor Trustee). The Company and Honda Motor Co., Ltd., a corporation organized under the laws of Japan (“Honda”), have entered into the Keep Well Agreement, dated September 9, 2005 (the “Keep Well Agreement”).

As of the date hereof, the Company has authorized the issuance and sale of up to U.S.\$30,000,000,000 (or the equivalent, based on the applicable exchange rate at the time of issuance, in such foreign currencies as the Company shall designate at the time of issuance) aggregate principal amount of Notes (or such greater principal amount as the Company may authorize from time to time by resolution of its Board of Directors or, by delegated authority, a committee thereof) at any time outstanding through or by the Agents pursuant to the terms of this Agreement. It is understood, however, that the Company may from time to time authorize the issuance of additional Notes and that such additional Notes may be sold through or by the Agents pursuant to the terms of this Agreement, all as though the issuance of such Notes were authorized as of the date hereof.

The Company has prepared and filed with the Securities and Exchange Commission (the “Commission”) an “automatic shelf registration statement”, as defined under Rule 405 (“Rule 405”) under the Securities Act of 1933, as amended (the “1933 Act”), on Form S-3 (File No. 333-213047), covering the public offering and sale of certain debt securities of the Company, including the Notes, under the 1933 Act and the rules and regulations promulgated thereunder (the “1933 Act Regulations”), which automatic shelf registration statement became effective under Rule 462(e) of the 1933 Act Regulations (“Rule 462(e)”). The “Registration Statement”, as of any time, means such registration statement as amended by any post-effective amendments thereto at such time, including the exhibits and any schedules thereto at such time, the documents incorporated or deemed to be incorporated by reference therein at such time pursuant to Item 12 of Form S-3 under the 1933 Act and the documents otherwise deemed to be a part thereof as of such time pursuant to Rule 430B of the 1933 Act Regulations (“Rule 430B”). The base prospectus filed as part of such automatic shelf registration statement, as amended in the form in which it has been filed most recently with the Commission in accordance with Section 3(b) or 3(c) hereof, including the documents incorporated or deemed incorporated by reference therein pursuant to Item 12 of Form S-3 under the 1933 Act, is referred to herein as the “Base Prospectus”. Promptly after execution and delivery of this Agreement, the Company will prepare and file a prospectus supplement relating to the Notes in accordance with the provisions of Rule 424(b) of the 1933 Act Regulations (“Rule 424(b)”). Such prospectus supplement, as amended by the prospectus supplement filed most recently with the Commission in accordance with Section 3(b), 3(c) or 3(m) hereof, as the case may be, including the documents incorporated or deemed to be incorporated by reference therein pursuant to Item 12 of Form S-3 under the 1933 Act, is referred to herein as the “Prospectus Supplement”. The Base Prospectus, as supplemented by the Prospectus Supplement and any pricing supplement used before the acceptance by the Company of an offer for the purchase of Notes which omits information to be included upon pricing in a form of prospectus filed pursuant to Rule 424(b), are collectively referred to herein as a “preliminary prospectus”. The Base Prospectus, as amended by the Prospectus Supplement and the applicable final pricing supplement relating to an offer and sale of Notes of the particular tranche, in the form the Base Prospectus, the Prospectus Supplement and any such final pricing supplement are first furnished to the Agents for use in connection with the offering and sale of Notes, are collectively referred to herein as the “Prospectus.” For purposes of this Agreement, all references to the Registration Statement, any preliminary prospectus or the Prospectus or any amendment or supplement thereto shall be deemed to be the copy filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval system (or any successor system) (“EDGAR”).

As used in this Agreement:

“Applicable Time” means, with respect to any offer and sale of Notes, the time of the first contract of sale for such Notes within the meaning of Rule 159 under the 1933 Act, or such other time as agreed by the Company and the Related Agent(s).

“General Disclosure Package” means the Base Prospectus, as amended by the Prospectus Supplement and the most recent pricing supplement, if any, relating to an offer and sale of Notes of the particular tranche furnished to the Related Agents for general distribution to investors prior to the Applicable Time, each Issuer General Use Free Writing Prospectus, if any, issued prior to the Applicable Time in accordance with Section 3(l) hereof and specifically identified in the applicable Terms Agreement (or if there is no Terms Agreement, as expressly agreed in writing by the Company and Related Agent(s) to be treated as an Issuer General Use Free Writing Prospectus) and the final term sheet relating to such Notes as described in Section 3(l) hereof (each, the “Final Term Sheet”), all considered together.

“Issuer Free Writing Prospectus” means any “issuer free writing prospectus,” as defined in Rule 433 of the 1933 Act Regulations (“Rule 433”), used in connection with an offering of Notes, including, without limitation, any “free writing prospectus” (as defined in Rule 405) relating to such Notes that is (i) required to be filed with the Commission by the Company, (ii) a “road show that is a written communication” within the meaning of Rule 433(d)(8)(i), whether or not required to be filed with the Commission, or (iii) exempt from filing with the Commission pursuant to Rule 433(d)(5)(i) because it contains a description of such Notes or of the offering thereof that does not reflect the final terms, in each case in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company’s records pursuant to Rule 433(g).

“Issuer General Use Free Writing Prospectus” means any Issuer Free Writing Prospectus approved by the Agents or, in the case of a specific offer and sale of Notes, the Related Agent(s) pursuant to Section 3(l) hereof that is furnished to the Agents or the Related Agent(s), as the case may be, for general distribution to investors, as evidenced by communications between the Company and the Agents or the Related Agent(s), as the case may be.

“Issuer Limited Use Free Writing Prospectus” means any Issuer Free Writing Prospectus that is not an Issuer General Use Free Writing Prospectus.

All references in this Agreement to financial statements and schedules and other information which is “contained,” “included,” “made,” “stated” or “referred to” (or other references of like import) in the Registration Statement, any preliminary prospectus or the Prospectus shall be deemed to include all such financial statements and schedules and other information incorporated or deemed incorporated by reference in the Registration Statement, any preliminary prospectus or the Prospectus, as the case may be, which, in the context of an offer and sale of Notes of a particular tranche, shall apply to information incorporated or deemed incorporated by reference therein prior to the Applicable Time relating to such Notes; and all references in this Agreement to amendments or supplements to the Registration Statement, any preliminary prospectus or the Prospectus shall be deemed to include the filing of any document under the Securities Exchange Act of 1934, as amended (the “1934 Act”), and the rules and regulations promulgated thereunder (the “1934 Act Regulations”), incorporated or deemed to be incorporated by reference in the Registration Statement, such preliminary prospectus or the Prospectus, as the case may be, which, in the context of an offer and sale of Notes of a particular tranche, shall apply to information incorporated or deemed incorporated by reference therein at or after the Applicable Time relating to such Notes.

#### Section 1. Appointment as Placement Agents.

(a) Appointment of Agents. Pursuant to the terms and subject to the conditions stated herein and subject to the reservation by the Company of the right to sell Notes directly on its own behalf at any time and to any investor or through other agents (*provided* that any other agent executes an agreement with the Company upon the same terms and conditions as contained herein), the Company hereby appoints the Agents as the exclusive placement agents of the Company for the Notes and acknowledges that the Agents shall have the right, subject to the terms and conditions of this Agreement, to act on behalf of the Company in the placement of Notes during the term

of this Agreement as its placement agents. Notwithstanding the foregoing, the Company reserves the right to appoint additional Agents for the purpose of assisting in the placement of the Notes during the term of this Agreement as provided in Section 1(j) hereof.

(b) Reasonable Best Efforts Solicitations; Right to Reject Offers. In soliciting purchases of the Notes on behalf of the Company, unless otherwise specified pursuant to the terms hereof, each Agent shall act solely as agent for the Company and not as principal. Upon receipt of instructions from the Company, an Agent shall use its reasonable best efforts to solicit, on behalf of the Company, purchases of such Notes as the Company and such Agent shall agree upon from time to time during the term of this Agreement. Each Agent shall communicate to the Company, orally or in writing, each offer to purchase Notes through such Agent as placement agent, other than those offers rejected by such Agent. Each Agent shall have the right, in its discretion reasonably exercised, to reject any proposed purchase of Notes through such Agent as placement agent, as a whole or in part, and any such rejection shall not be deemed a breach of such Agent's agreement contained in this Agreement. The Company may accept or reject any proposed purchase of the Notes, in whole or in part, solicited by such Agent.

(c) Suspension of Solicitations as Agents. The Company reserves the right, in its sole discretion, to suspend solicitation of purchases of Notes through the Agents as placement agents, commencing at any time for any period of time or permanently. Upon receipt of instructions from the Company, the Agents will forthwith suspend solicitations of purchases of Notes from the Company as placement agents until such time as the Company has advised the Agents to resume such solicitations.

(d) Commissions. The Company agrees to pay each Agent a commission, in the form of a discount or as otherwise agreed to by the Company and such Agent, equal to the applicable percentage of the principal amount of each Note sold by the Company as a result of a solicitation made by such Agent as placement agent as set forth in Schedule A hereto or as may otherwise be agreed in writing by the Company and the Agents; *provided, however*, that the Company shall only be obligated to pay one such fee with respect to any particular Note so sold. Without the prior approval of the Company, the Agents may not reallow any portion of the commission payable pursuant hereto to dealers or purchasers in connection with the offer and sale of any Notes.

No Agent shall otherwise employ, pay or compensate any other person to solicit offers to purchase the Notes or to perform any of their functions as placement agent without the prior written consent of the Company.

(e) Purchases as Principal. The Agents shall have no obligation to purchase Notes as principal, whether from the Company or otherwise, unless the Company and the applicable Agent(s) agree as set forth below. The Company agrees that whenever it determines to sell Notes directly to an Agent as principal it will enter into a separate Terms Agreement (each, a "Terms Agreement"), which, if requested by such Agent, will be in writing. Each such Terms Agreement shall be with respect to such information (as applicable) set forth in Annex I hereto. References herein to "this Agreement" or to matters contained "herein" or "hereunder", or words of similar import, mean this Agreement and any applicable Terms Agreement. Each Terms Agreement shall specify the applicable Agent(s), the principal amount of Notes to be purchased by each such Agent pursuant thereto, the price to be paid to the Company for such Notes (which, if not so specified in such Terms Agreement, shall be at a discount equivalent to the applicable commission set forth in Schedule A hereto), the Settlement Date (as defined below) for such Notes and such other provisions (including, but not limited to, further terms of the Notes) as may be mutually agreed upon. Each Agent is authorized to utilize a selling or dealer group in connection with the resale of the Notes purchased by them as principal and may allow all or any portion of the discount received from the Company in connection with such purchases to such selling or dealer groups. Such Terms Agreement shall also specify whether or not any of the officer's certificates, opinions of counsel, and accountant's comfort letter pursuant to Sections 3(o), 3(p) and 3(q), respectively, hereof shall be required to be delivered by the Company on the related Settlement Date.

If the Company and two or more Agents enter into a Terms Agreement pursuant to which such Agents agree to purchase Notes from the Company as principal and one or more of such Agents shall fail at the Settlement Date to purchase the Notes which it or they are obligated to purchase (the "Defaulted Notes"), then the nondefaulting Agents shall have the right, within 24 hours thereafter, to make arrangements for one of them or one or more other Agents or underwriters, reasonably acceptable to the Company, to purchase all, but not less than all, of the Defaulted



Notes in such amounts as may be agreed upon and upon the terms herein set forth; *provided, however*, that if no such arrangement shall have been completed within such 24-hour period, then:

- (i) if the aggregate principal amount of Defaulted Notes does not exceed 10% of the aggregate principal amount of Notes to be so purchased by all of such Agents on the Settlement Date, the nondefaulting Agents shall be obligated, severally and not jointly, to purchase the full amount thereof in the proportions that their respective initial underwriting obligations bear to the underwriting obligations of all nondefaulting Agents; or
- (ii) if the aggregate principal amount of Defaulted Notes exceeds 10% of the aggregate principal amount of Notes to be so purchased by all of such Agents on the Settlement Date, such Terms Agreement shall terminate without liability on the part of any nondefaulting Agent.

No action taken pursuant to this paragraph shall relieve any defaulting Agent from liability in respect of its default. In the event of any such default which does not result in a termination of such Terms Agreement, either the nondefaulting Agents or the Company shall have the right to postpone the Settlement Date for a period not exceeding seven days in order to effect any required changes in the Registration Statement, the General Disclosure Package or the Prospectus or in any other documents or arrangements.

(f) Administrative Procedures. Administrative procedures with respect to sales of Notes shall be agreed upon from time to time by the Agents, the Company and the Trustee (the "Procedures"). The Agents and the Company agree to perform the respective duties and obligations specifically provided to be performed by them in the Procedures.

(g) Availability of Notes for Sale. Under no circumstances shall the aggregate principal amount of Notes offered or sold pursuant to this Agreement, or which are the subject of instructions from the Company to an Agent to solicit purchases of Notes as placement agent, exceed the aggregate principal amount of Notes (i) referred to in the third paragraph of this Agreement, as reduced by prior sales of Notes under this Agreement, (ii) available for sale under the Registration Statement or (iii) duly authorized by the Company from time to time to be issued and sold under this Agreement, and, in each case referred to in clause (ii) and (iii), notified to the Agents. The Agents shall have no responsibility for maintaining records with respect to Notes available for sale under the Registration Statement or for determining the aggregate principal amount of Notes duly authorized from time to time by the Company.

(h) Settlement. Settlement for sales of Notes will occur on the third business day following the trade date on which such sales are made, unless another date shall be agreed to in writing by the Company and the applicable Agent(s) (each such day, a "Settlement Date").

If the Company shall default on its obligation to deliver Notes to a purchaser whose offer has been solicited by an Agent on any agency basis and accepted by the Company due to its refusal or inability to perform such obligation or because of a breach of any representation, warranty or agreement contained herein, the Company shall (i) indemnify and hold such Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (ii) pay such Agent any commission to which it would otherwise be entitled absent such default.

Notes sold through an Agent as placement agent of the Company shall be delivered to such Agent for the account of any purchaser only against payment therefor in immediately available funds. Each Agent shall use its reasonable efforts to assist the Company in obtaining performance by each purchaser whose offer to purchase Notes has been solicited by such Agent and adopted by the Company. In the event that a purchaser shall fail either to accept any Note or make payment for a Note on the Settlement Date, such Agent shall promptly notify the Company and such Note shall be cancelled and/or redelivered to the Company in accordance with the Indenture. If such Agent has theretofore paid the Company for such Note, the Company will promptly return the related funds to such Agent. If such failure occurred for any reason other than default by such Agent in the performance of its obligations under this Agreement, the Company will reimburse such Agent on an equitable basis for its loss of the use of such funds for the period such funds were credited to the Company's account.

(i) Reliance. The Company and the Agents agree that any Notes the placement of which any Agent solicits shall be placed by such Agent, and any Notes purchased by any Agent as principal shall be purchased, in reliance by such Agent on the representations, warranties, covenants and agreements of the Company contained, and on the terms and conditions and in the manner provided, in this Agreement.

(j) Additional Agents. The Company may from time to time appoint one or more additional entities as its agents for the placement of Notes (each, a “New Agent”) upon the terms of this Agreement, *provided* that any New Agent shall have first delivered to the Company an Agent Accession Letter substantially in the form set out in Part I of Annex II hereto; and the Company shall have delivered to such New Agent a Confirmation Letter substantially in the form set out in Part II of Annex II hereto; whereupon such New Agent shall, subject to the terms of the relevant Agent Accession Letter and the relevant Confirmation Letter, become a party to this Agreement, vested with all authority, rights, powers, duties and obligations of an Agent as if originally named as an Agent hereunder; *provided, further*, that except in the case of the appointment of a New Agent for the remainder of the term of this Agreement, following the issue of the relevant Note or Notes, the relevant New Agent shall have no further such authority, rights, powers, duties or obligations except such as may have accrued or been incurred prior to, or in connection with, the issue of such Note or Notes.

In addition, the Company may from time to time appoint one or more New Agents upon the terms of this Agreement, solely with respect to a particular sale of Notes by the Company directly to any such New Agent as principal by entering into a Terms Agreement with such New Agent substantially in the form set out in Annex I hereto that includes the provisions relating to the sale of Notes to a purchaser that is not an “Agent” under this Agreement, whereupon the terms and conditions of this Agreement shall apply to the sale of such Notes, and such New Agent shall be entitled to the benefits of this Agreement solely with respect to such purchase and sale, *provided* that following the closing for the sale of the relevant Note or Notes, the relevant New Agent shall have no further authority, rights, powers, duties or obligations except such as may have accrued or been incurred prior to, or in connection with the purchase and sale of the relevant Notes.

## Section 2. Representations and Warranties.

(a) The Company represents and warrants to the Agents at the date of this Agreement, to each Related Agent at the date of each acceptance by the Company of an offer for purchase of Notes (whether through an Agent as placement agent or to an Agent as principal), each Applicable Time and each Settlement Date and to the Agents at each time that the Registration Statement, the General Disclosure Package or the Prospectus shall be amended or supplemented (other than by an amendment or supplement providing solely for the establishment of, or a change in, the specific terms of a tranche of Notes or an amendment or supplement relating exclusively to the issuance of debt securities under the Registration Statement other than the Notes) (collectively, a “Representation Date”), and agrees with the Agents and Related Agents, as the case may be, as follows:

(i) Compliance of the Registration Statement, the Prospectus and Incorporated Documents. The Company meets the requirements for use of Form S-3 under the 1933 Act. The Registration Statement is an automatic shelf registration statement under Rule 405 and the Notes have been and remain eligible for registration by the Company for sale on such automatic shelf registration statement. Each of the Registration Statement and any post-effective amendment thereto has become effective under the 1933 Act. No stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto has been issued under the 1933 Act, no notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) of the 1933 Act Regulations (“Rule 401(g)(2)”) has been received by the Company, no order preventing or suspending the use of any preliminary prospectus or the Prospectus or any amendment or supplement thereto has been issued by any Governmental Entity (as defined below) and no proceedings for any of those purposes have been instituted or are pending or, to the Company’s knowledge, contemplated by any Governmental Entity. The Company has complied with each request (if any) from the Commission for additional information relating to the Registration Statement, any preliminary prospectus or the Prospectus or any amendment or supplement thereto, including, in each case, the documents incorporated by reference therein.

Each of the Registration Statement and any post-effective amendment thereto, at the time of its effectiveness and as of each deemed effective date with respect to the Agents pursuant to paragraph (f)(2) of Rule 430B of the 1933 Act Regulations, complied in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations. Each of any preliminary prospectus and the Prospectus and any

amendment or supplement thereto, at the time it was filed with the Commission, complied in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations and is identical to the electronically transmitted copy thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

The documents incorporated or deemed to be incorporated by reference in the Registration Statement, any preliminary prospectus and the Prospectus, when they became effective or at the time they were or hereafter are filed with the Commission, complied and will comply in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations.

(ii) Accurate Disclosure. Neither the Registration Statement nor any amendment thereto, at its effective time or at any Settlement Date, contained, contains or will contain an untrue statement of a material fact or omitted, omits or will omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. At each Applicable Time, neither (A) the General Disclosure Package nor (B) any individual Issuer Limited Use Free Writing Prospectus, when considered together with the General Disclosure Package, included, includes or will include an untrue statement of a material fact or omitted, omits or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Neither the Prospectus nor any amendment or supplement thereto, as of its issue date, at the time of any filing with the Commission pursuant to Rule 424(b) or at any Settlement Date, included, includes or will include an untrue statement of a material fact or omitted, omits or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The documents incorporated or deemed to be incorporated by reference in the Registration Statement, the General Disclosure Package and the Prospectus, at the time the Registration Statement became effective or when such documents incorporated by reference were or hereafter are filed with the Commission, as the case may be, when read together with the other information in the Registration Statement, the General Disclosure Package or the Prospectus, as the case may be, did not, do not and will not include an untrue statement of a material fact or omitted, omits, or will omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

The representations and warranties in this subsection shall not apply (i) to statements in or omissions from the Registration Statement or any amendment thereto or the General Disclosure Package or the Prospectus or any amendment or supplement thereto made in reliance upon and in conformity with information furnished to the Company by the Agents in writing expressly for use therein, (ii) to that part of the Registration Statement that constitutes the Statement of Eligibility (Form T-1) of the Trustee under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), or (iii) any statements in the Registration Statement or any amendment thereto or the General Disclosure Package or the Prospectus or any amendment or supplement thereto which do not constitute part of such document pursuant to Rule 412 under the 1933 Act.

(iii) Issuer Free Writing Prospectuses. No Issuer Free Writing Prospectus conflicts or will conflict with the information contained in the Registration Statement, any preliminary prospectus or the Prospectus or any amendment or supplement thereto, including any document incorporated by reference therein, that has not been superseded or modified. The foregoing sentence does not apply to statements in or omissions from any Issuer Free Writing Prospectus made in reliance upon and in conformity with information furnished to the Company by the Agents in writing expressly for use therein. Any offer that is a written communication relating to the Notes made prior to the initial filing of the Registration Statement by the Company or any person acting on its behalf (within the meaning, for this paragraph only, of Rule 163(c) of the 1933 Act Regulations) has been filed with the Commission in accordance with the exemption provided by Rule 163 of the 1933 Act Regulations ("Rule 163") and otherwise complied with the requirements of Rule 163, including, without limitation, the legending requirement, to qualify such offer for the exemption from Section 5(c) of the 1933 Act provided by Rule 163.

(iv) Well-Known Seasoned Issuer. (A) At the original effectiveness of the Registration Statement and (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the 1933 Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the 1934 Act or form of prospectus), the Company was and is a "well-known seasoned issuer," as defined in Rule 405.

(v) Company Not Ineligible Issuer. (A) At the time of filing the Registration Statement and any post-effective amendment thereto, (B) at the earliest time thereafter that the Company or another offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) of the 1933 Act Regulations) of the Notes, (C) at the date of this Agreement and any Terms Agreement and (D) at each Applicable Time, the Company was not and is not an “ineligible issuer,” as defined in Rule 405, without taking account of any determination by the Commission pursuant to Rule 405 that it is not necessary that the Company be considered an ineligible issuer.

(vi) Independent Accountants. The accounting firm that certified the financial statements and supporting schedules included in the Registration Statement, the General Disclosure Package and the Prospectus is an independent registered public accounting firm with respect to the Company within the meaning of the 1933 Act, the 1933 Act Regulations, the 1934 Act, the 1934 Act Regulations and the Public Company Accounting Oversight Board.

(vii) Financial Statements; Non-GAAP Financial Measures. The financial statements of the Company included in the Registration Statement, the General Disclosure Package and the Prospectus, together with the related schedules and notes, present fairly in all material respects the financial position of the Company and its consolidated subsidiaries at the dates indicated and the net income, stockholders’ equity and cash flows of the Company and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with U.S. generally accepted accounting principles (“GAAP”) applied on a consistent basis throughout the periods involved, except as may be expressly stated in the related notes thereto. The supporting schedules, if any, present fairly in all material respects the information required to be stated therein.

(viii) No Material Adverse Change. Except as stated in the Registration Statement, the General Disclosure Package and the Prospectus, (A) since the date of the most recent audited consolidated balance sheet of the Company included in the Registration Statement, the General Disclosure Package or the Prospectus, there has been no material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business (a “Material Adverse Change”) and (B) since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package and the Prospectus, there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business (which includes, but is not limited to, Euromarket, Euro Asian or global financing and domestic private placement and public financing), which are material with respect to the Company and its subsidiaries considered as one enterprise.

(ix) Good Standing of the Company. The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the State of California and has all the corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and the Prospectus and to enter into and perform its obligations under, and to consummate the transactions contemplated in, this Agreement, the Indenture and the Notes. The Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not, singly or in the aggregate, result in a material adverse effect in (A) the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, or (B) the ability of the Company to enter into and perform any of its obligations under, or to consummate any of the transactions contemplated in, this Agreement, the Indenture and the Notes (collectively, a “Material Adverse Effect”).

(x) Good Standing of Subsidiaries. Each “significant subsidiary” of the Company (as such term is defined in Rule 1-02 of Regulation S-X), if any, (each, a “Significant Subsidiary” and, collectively, the “Significant Subsidiaries”) has been duly organized and is validly existing and in good standing under the laws of the jurisdiction of its incorporation or other organization, has all requisite power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and the Prospectus and is duly qualified to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not, singly or in the aggregate, result in a Material Adverse Effect. Except as described in the Registration Statement, the General Disclosure Package and the Prospectus, all of the issued and outstanding shares of capital stock of or other equity interests in each Significant Subsidiary have been duly authorized and validly issued, are fully paid and non-assessable and, except for directors’ qualifying shares, are owned by the Company, directly or through other subsidiaries of the Company, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity.

(xi) Authorization of this Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(xii) Authorization and Description of Indenture. The Indenture has been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery by the Trustee, the Indenture is a valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar laws relating to or affecting creditors’ rights generally or by general equity principles, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and except as the enforcement thereof may be further limited by requirements that a claim with respect to Notes payable in a foreign currency (or a foreign currency judgment in respect of such claim) be converted into U.S. dollars at a rate of exchange prevailing on a date determined by applicable law or by governmental authority to limit, delay or prohibit the making of payments outside the United States. The Indenture has been duly qualified under the Trust Indenture Act. The Indenture conforms in all material respects to all statements relating thereto contained in the Registration Statement, the General Disclosure Package and the Prospectus.

(xiii) Authorization and Description of Notes. The Notes have been duly authorized for issuance, offer and sale pursuant to this Agreement, and, when a Note is completed as contemplated by the Procedures, issued by the Company and authenticated and delivered by the Trustee pursuant to the provisions of this Agreement and the Indenture against payment of the consideration therefor, such Note will constitute a valid and legally binding obligation of the Company entitled to the benefits of the Indenture, enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar laws relating to or affecting creditors’ rights generally or by general equity principles, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and except as enforcement thereof may be further limited by requirements that a claim with respect to Notes payable in a foreign currency (or a foreign currency judgment in respect of such claim) be converted into U.S. dollars at a rate of exchange prevailing on a date determined by applicable law or by governmental authority to limit, delay or prohibit the making of payments outside the United States. The Notes conform in all material respects to all statements relating thereto contained in the Registration Statement, the General Disclosure Package and the Prospectus.

(xiv) Keep Well Agreement. The Keep Well Agreement has been duly authorized, executed and delivered by the Company and is a valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms. The Notes constitute Debt (as defined under the Keep Well Agreement).

(xv) Absence of Violations, Defaults and Conflicts. Neither the Company nor any of its Significant Subsidiaries are (A) in violation of its charter, by-laws or similar organizational document, (B) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or other instrument to which the Company or any of its Significant Subsidiaries are a party or by which it or any of them may be bound or to which any of the properties, assets or operations of the Company or any of its Significant Subsidiaries are subject (collectively, “Agreements and Instruments”), except for such defaults that would not, singly or in the aggregate, result in a Material Adverse Effect, or (C) in violation of any law, statute, rule, regulation, judgment, order, writ or decree of any arbitrator, court, governmental body, regulatory body, administrative agency or other authority, body or agency having jurisdiction over the Company or any of its Significant Subsidiaries or any of their respective properties, assets or operations (each, a “Governmental Entity”), except for such violations that would not, singly or in the aggregate, result in a Material Adverse Effect. The execution, delivery and performance of this Agreement, the Indenture and the Notes and the consummation of the transactions contemplated herein and therein and in the Registration Statement, the General Disclosure Package and the Prospectus (including the issuance and sale of Notes and the use of the proceeds from the sale thereof as described therein) do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any properties, assets or operations of the Company or any of its Significant Subsidiaries pursuant to, the Agreements and Instruments (except for such conflicts, breaches, defaults or Repayment Events or liens, charges or encumbrances that would not, singly or in the aggregate, result in a Material Adverse Effect), nor will such action result in any violation of (y) the provisions of the charter, by-laws or similar organizational document of the Company or any of its Significant Subsidiaries or (z) any law, statute, rule, regulation, judgment, order, writ or decree of any Governmental Entity except, in the case of clause (z), for such violations that would not, singly or in the aggregate, result in a Material Adverse Effect. As used herein, a “Repayment Event” means any event or condition which gives the holder of any note, debenture or other financing instrument or agreement (or any person acting on such holder’s behalf) issued or entered into by the Company or any of its Significant Subsidiaries the right to require the repurchase, redemption or repayment of all or a material portion of the related financing by the Company or any of its Significant Subsidiaries prior to the date currently scheduled therefor.

(xvi) Absence of Proceedings. Except as stated in the Registration Statement, the General Disclosure Package and the Prospectus, there is no action, suit, proceeding, inquiry or investigation before or brought by any Governmental Entity now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries, which could reasonably be expected to, singly or in the aggregate, result in a Material Adverse Effect.

(xvii) Absence of Further Requirements. No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any Governmental Entity is required for the Company’s due authorization, execution and delivery of, or performance of its obligations under, this Agreement, the Indenture and the Notes or for the offering, issuance, sale or delivery of Notes or the consummation of the transactions contemplated herein or therein, except such as have been already obtained or as may be required under the 1933 Act, the 1933 Act Regulations, the securities laws of any state or non-U.S. jurisdiction or the rules of the Financial Industry Regulatory Authority, Inc. (“FINRA”).

(xviii) Possession of Licenses and Permits. The Company and its Significant Subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, “Governmental Licenses”) issued by the appropriate Governmental Entities necessary to conduct the business now operated by them, except where the failure so to possess would not, singly or in the aggregate, result in a Material Adverse Effect. All of the Governmental Licenses are valid and in full force and effect, except when the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not, singly or in the aggregate, result in a Material Adverse Effect. Neither the Company nor any of its Significant Subsidiaries has received any written notice of proceedings relating to the revocation or modification of any Governmental Licenses which, if the subject of an unfavorable decision, ruling or finding, could reasonably be expected to, singly or in the aggregate, result in a Material Adverse Effect.

(xix) Accounting Controls and Disclosure Controls. The Company and each of its subsidiaries maintain effective internal control over financial reporting (as defined under Rule 13a-15 and Rule 15d-15 of the 1934 Act Regulations) and a system of internal accounting controls sufficient to provide reasonable assurances that: (A) transactions are executed in accordance with management's general or specific authorization; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (C) access to assets is permitted only in accordance with management's general or specific authorization; (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and (E) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the General Disclosure Package and the Prospectus fairly presents in all material respects the required information and is prepared in all material respects in accordance with the Commission's rules and guidelines applicable thereto. Except as described in the Registration Statement, the General Disclosure Package and the Prospectus, since the end of the Company's most recent audited fiscal year, there has been (1) no material weakness in the Company's internal control over financial reporting (whether or not remediated) and (2) no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting. The Company and each of its subsidiaries maintain an effective system of disclosure controls and procedures (as defined in Rule 13a-15 and Rule 15d-15 of the 1934 Act Regulations) that are designed to ensure that the information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and is accumulated and communicated to the Company's management, including its principal executive officer or officers and principal financial officer or officers, as appropriate, to allow timely decisions regarding disclosure.

(xx) Investment Company Act. The Company is not required, and upon the issuance and sale of the Notes as contemplated herein and the application of the net proceeds therefrom as described in the Registration Statement, the General Disclosure Package and the Prospectus will not be required, to register as an "investment company" under the Investment Company Act of 1940, as amended (the "1940 Act").

(xxi) Absence of Manipulation. Neither the Company nor any controlled affiliate of the Company has taken, nor will the Company or any such controlled affiliate take, directly or indirectly, any action which is designed, or would be expected, to cause or result in, or which constitutes, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any Notes or to result in a violation of Regulation M under the 1934 Act.

(xxii) Money Laundering Laws. The operations of the Company have been conducted in compliance with any applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Entity having jurisdiction over the Company (collectively, the "Money Laundering Laws"), except where the failure to be in such compliance would not, singly or in the aggregate, result in a Material Adverse Effect. No action, suit or proceeding by or before any Governmental Entity involving the Company with respect to the Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(xxiii) OFAC. Neither the Company nor, to the knowledge of the Company, any director, officer, agent, employee or controlled affiliate is an individual or entity ("Person") currently the subject or target of any sanctions administered or enforced by the United States Government, including, without limitation, the U.S. Department of the Treasury's Office of Foreign Assets Control (collectively, "Sanctions"). The Company will not, directly or indirectly, use the proceeds of the sale of the Notes, or lend, contribute or otherwise make available such proceeds to any of its subsidiaries, joint venture partners or other Persons, to fund any activities of or business with any Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions.

(b) Any certificate signed by any officer or other authorized signatory of the Company and delivered to the Agents or to counsel for the Agents in connection with an offering of Notes or the sale of Notes to any Agent as principal shall be deemed a representation and warranty by the Company to the Agents as to the matters covered thereby.

Section 3. Covenants. The Company agrees with the Agents:

(a) Compliance with Securities Regulations and Commission Requests. The Company will promptly notify the Agents (except in the case of clause (ii) below, which shall only require notice to the Related Agent(s)) (i) when any post-effective amendment to the Registration Statement or any new registration statement relating to the Notes shall become effective, (ii) of the transmittal for filing with the Commission of any amendment or supplement to the General Disclosure Package or the Prospectus, including, without limitation, any document to be filed pursuant to the 1934 Act incorporated by reference therein, (iii) of the receipt of any comments from the Commission with respect to the information included or incorporated by reference in the Registration Statement, the General Disclosure Package or the Prospectus or any amendment or supplement thereto, (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus, or for additional information in the Registration Statement or any amendment thereto or in the Prospectus or any amendment or supplement thereto, including any document incorporated by reference therein, (v) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto or any notice of objection to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) or of the issuance of any order preventing or suspending the use of any preliminary prospectus or the Prospectus or any amendment or supplement thereto, or receipt by the Company of any notice with regard to the suspension of the qualification of any Notes for offering or sale in any jurisdiction, or of the initiation of any proceedings for any of such purposes or of any examination pursuant to Section 8(d) or 8(e) of the 1933 Act concerning the Registration Statement and (vi) if the Company becomes the subject of a proceeding under Section 8A of the 1933 Act in connection with any offering of Notes. Subject to Section 3(b) hereof, the Company will effect all filings required under Rule 424(b), in the manner and within the time period required by Rule 424(b) (without reliance on Rule 424(b)(8)), and will take such steps as it deems necessary to ascertain promptly whether the form of prospectus transmitted for filing under Rule 424(b) was received for filing by the Commission and, in the event that it was not, it will promptly file such prospectus. The Company will use its commercially reasonable best efforts to prevent the issuance of any stop, prevention or suspension order and, if any such order is issued, to obtain the lifting thereof as soon as practicable. The Company shall pay the required Commission filing fees relating to the Notes within the time required by the 1933 Act Regulations.

(b) Notice of Certain Proposed Filings. The Company will give the Agents notice of its intention to file or prepare any new or additional registration statement with respect to Notes, any amendment to the Registration Statement or any amendment or supplement to the General Disclosure Package or the Prospectus other than (i) an amendment or supplement providing solely for the establishment of, or change in, the specific terms of a tranche of Notes (except as to the Related Agent(s)) or relating exclusively to an offering of debt securities under the Registration Statement other than the Notes and (ii) any document to be filed pursuant to the 1934 Act and incorporated by reference therein, and will furnish the Agents or the Related Agent(s), as the case may be, with copies of any such document proposed to be filed, prepared or used a reasonable time in advance of such proposed filing or use, as the case may be, and will not file or use any such document in a form to which the Agents or the Related Agent(s), as the case may be, or counsel for the Agents shall reasonably object.

(c) Revisions — Material Changes. If any event shall occur or condition shall exist as a result of which it is necessary, in the reasonable opinion of counsel for the Agents or counsel to the Company, to (i) amend the Registration Statement in order that the Registration Statement will not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) amend or supplement the General Disclosure Package or the Prospectus in order that the General Disclosure Package or the Prospectus, as the case may be, will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time it is delivered to a purchaser, not misleading or (iii) amend the Registration Statement or amend or supplement the General Disclosure Package or the Prospectus, as the case may be, including, without limitation, the filing of any document incorporated by reference therein, in order to comply with the requirements of the 1933 Act, the 1933 Act Regulations, the 1934 Act or the 1934 Act Regulations, the Company will promptly (A) give the



Agents or, in the case of an offer and sale of Notes to the Related Agent(s) as principal, such Related Agent(s) written notice of such event or condition and instructions to cease the solicitation of offers to purchase the Notes in the Agents' capacity as placement agents and to cease sales of any Notes to the Agents they may own as principal pursuant to a Terms Agreement until the completion of the actions specified in clause (C) below, (B) prepare any amendment or supplement as may be necessary to correct such statement or omission or to make the Registration Statement, the General Disclosure Package or the Prospectus comply with such requirements and, a reasonable amount of time prior to any proposed filing or use, furnish the Agents or such Related Agent(s), as the case may be, with copies of any such amendment or supplement and (C) file with the Commission any such amendment or supplement and use its reasonable best efforts to have any amendment to the Registration Statement declared effective by the Commission as soon as possible if the Company is no longer eligible to file an automatic shelf registration statement; *provided, however*, that the Company shall not file or use any such amendment or supplement to which the Agents or such Related Agent(s), as the case may be, or counsel for the Agents shall reasonably object.

(d) Revisions — Periodic Financial Information. On or prior to the date on which there shall be released to the general public interim financial statement information related to the Company with respect to each of the first three quarters of any fiscal year or preliminary financial statement information with respect to any fiscal year, the Company shall cause the Registration Statement, the General Disclosure Package and the Prospectus to be amended and supplemented, whether by the filing of documents pursuant to the 1933 Act, the 1934 Act or otherwise, to include or incorporate by reference financial information with respect thereto and corresponding information for the comparable period of the preceding fiscal year, as well as such other information and explanation as shall be necessary for an understanding thereof or as shall be required by the 1933 Act or the 1933 Act Regulations.

(e) Revisions — Audited Financial Information. On or prior to the date on which there shall be released to the general public financial information included in or derived from the audited financial statements of the Company for the preceding fiscal year, the Company shall cause the Registration Statement, the General Disclosure Package and the Prospectus to be amended and supplemented, whether by the filing of documents pursuant to the 1933 Act, the 1934 Act or otherwise, to include or incorporate by reference such audited financial statements and the report or reports, and consent or consents to such inclusion or incorporation by reference, of the independent accountants with respect thereto, as well as such other information and explanations as shall be necessary for an understanding of such financial statements or as shall be required by the 1933 Act or the 1933 Act Regulations.

(f) Delivery of Registration Statements. The Company has furnished or will deliver to the Agents and counsel for the Agents, without charge, signed copies of the Registration Statement as originally filed and each amendment thereto (including exhibits filed therewith or incorporated by reference therein and documents incorporated or deemed to be incorporated by reference therein) and signed copies of all consents and certificates of experts. The signed copies of the Registration Statement and each amendment thereto furnished to the Agents and counsel for the Agents will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(g) Delivery of Prospectuses. The Company will furnish to (i) the Agents such number of copies of the Base Prospectus and the Prospectus Supplement as they may reasonably request and (ii) the Related Agent(s), without charge, during the period in which a prospectus is (or, but for the exception afforded by Rule 172 of the 1933 Act Regulations ("Rule 172"), would be) required by the 1933 Act to be delivered in connection with any offer or sale of Notes (the "Prospectus Delivery Period"), such number of copies of the Prospectus (as amended or supplemented) as such Related Agent(s) may reasonably request. The Prospectus and any amendments or supplements thereto furnished in accordance with this Section will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(h) Reporting Requirements. The Company, during the Prospectus Delivery Period, will file all documents required to be filed with the Commission pursuant to the 1934 Act within the time periods prescribed by, and meeting the requirements of, the 1934 Act and the 1934 Act Regulations. Additionally, the Company shall report the use of the net proceeds from the sale of any Notes as may be required under the 1933 Act and the 1933 Act Regulations, including, if applicable, Rule 463 of the 1933 Act Regulations.

(i) Blue Sky Qualifications. The Company will use its reasonable best efforts, in cooperation with the Agents or, in the case of an offer and sale of a tranche of Notes to the Related Agent(s) as principal, such Related Agent(s) to qualify the Notes for offering and sale under (or obtain exemptions from the application of) the applicable securities laws of such states and non-U.S. jurisdictions as the Agents or such Related Agent(s), as the case may be, may, from time to time, designate and to maintain such qualifications in effect so long as required to complete the sale of such Notes contemplated by this Agreement; *provided, however*, that the Company shall not be obligated take any action that would subject it to general service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(j) Earnings Statement. The Company will timely file such reports pursuant to the 1934 Act as are necessary in order to make generally available to its securityholders as soon as practicable an earnings statement for the purposes of, and to provide to the Agents the benefits contemplated by, the last paragraph of Section 11(a) of the 1933 Act.

(k) Use of Proceeds. The Company will use the net proceeds received by it from the sale of the Notes pursuant to this Agreement in the manner specified in the Registration Statement, the General Disclosure Package and the Prospectus.

(l) Issuer Free Writing Prospectuses. The Company agrees that, unless it obtains the prior written consent (which may be in electronic form) of the Related Agent(s), it will not make any offer relating to the Notes that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a “free writing prospectus,” or a portion thereof, required to be filed by the Company with the Commission or retained by the Company under Rule 433, except that the prior written consent of the Agents shall be required if any such offer is applicable to the Notes generally, and not to any specific tranche of Notes. The Company represents that it has treated or agrees that it will treat each such free writing prospectus consented to by such Related Agent(s), or, if applicable, the Agents, as the case may be, as an “issuer free writing prospectus,” as defined in Rule 433, and that it has complied and will comply with the applicable requirements of Rule 433 with respect thereto, including timely filing with the Commission where required, legending and record keeping. The Company agrees that it will prepare a Final Term Sheet reflecting the final terms of each offering of a tranche of Notes, in form and substance satisfactory to the Related Agent(s), and that such Final Term Sheet is an Issuer Free Writing Prospectus, and shall file such Final Term Sheet as an Issuer Free Writing Prospectus with the Commission in accordance with Rule 433. If at any time following issuance of an Issuer Free Writing Prospectus any event shall occur or condition shall exist as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information contained in the Registration Statement, any preliminary prospectus or the Prospectus or, when read together with other information in the General Disclosure Package, included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Company will promptly notify the Related Agents, and will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

(m) Preparation of Pricing Supplements. The Company will prepare, with respect to any tranche of Notes sold through or to one or more Related Agents pursuant to this Agreement, a pricing supplement with respect to such Notes, in form and substance satisfactory to the applicable Related Agent(s), and will file with the Commission such pricing supplement in accordance with Rule 424(b).

(n) Stand-Off Agreement. If required by any Terms Agreement, between the date of any Terms Agreement and the Settlement Date with respect to such Terms Agreement, the Company will not, without the prior written consent of each Agent party to such Terms Agreement, directly or indirectly, sell, offer to sell, contract, to sell or otherwise dispose of, or announce the offering of, any debt securities of the Company denominated in the same currency as the Notes to be purchased pursuant to such Terms Agreement or any security convertible into such debt securities (other than (i) the Notes that are to be sold pursuant to such Terms Agreement, (ii) securities sold in any Euro Asian or Euromarket financing, (iii) commercial paper in the ordinary course of business, (iv) debt securities of the Company to be offered and sold in an offering targeted to residents of Japan, including secondary offerings into Japan, (v) “demand” notes issued by the Company to provide an investment option for cash generated by assets used by the Company and its affiliates in asset-backed financing vehicles; or (vi) notes issued by the Company in connection with master note programs in transactions not registered under, or exempt from, the registration requirements of the 1933 Act).

(o) Delivery of Future Officers' Certificates. The Company covenants and agrees with the Agents that the Company shall furnish or cause to be furnished to the Agents a certificate, in form and substance reasonably satisfactory to the Agents, to the effect that the statements contained in the certificate referred to in Section 5(f) hereof that was last furnished to the Agents are true and correct at and as of such time (except that such statements shall be deemed to relate to the Registration Statement, the General Disclosure Package and the Prospectus as amended and supplemented to such time) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in Section 5(f), modified as necessary to relate to the Registration Statement, the General Disclosure Package and the Prospectus as amended and supplemented to the time of delivery of such certificate, (i) upon each filing by the Company of an Annual Report on Form 10-K or Quarterly Report on Form 10-Q with the Commission, (ii) when the Registration Statement, the General Disclosure Package or the Prospectus is otherwise amended or supplemented (other than an amendment or supplement providing solely for the establishment of, or a change in, the specific terms of a tranche of Notes or relating exclusively to an offering of debt securities under the Registration Statement other than the Notes) or (iii) upon filing by the Company of a Current Report on Form 8-K with the Commission, if reasonably requested by the Agents based on disclosure included therein or omitted therefrom. In the event that the aggregate principal amount of the Notes authorized for issuance and sale under this Agreement is increased or the Keep Well Agreement is modified, the Company shall furnish to or cause to be furnished forthwith to the Agents a certificate from Honda, dated the effectiveness of such increase or modification, in form and substance reasonably satisfactory to the Agents, of substantially the same tenor as the certificate referred to in Section 5(e) delivered on the date of this Agreement, but modified as necessary to relate to the increased principal amount of Notes or the amended Keep Well Agreement, as the case may be.

(p) Delivery of Future Opinions and Letters of Counsel. The Company covenants and agrees with the Agents that each time that (i) the Registration Statement, the General Disclosure Package or the Prospectus shall be amended and supplemented (other than an amendment or supplement (x) providing solely for the establishment of, or a change in, the specific terms of a tranche of Notes or solely for the inclusion of additional financial information or relating exclusively to an offering of debt securities under the Registration Statement other than the Notes or (y) arising from any Current Report on Form 8-K that is incorporated by reference into the Registration Statement, the General Disclosure Package and the Prospectus, unless the Agents shall reasonably request based on disclosure included therein or omitted therefrom) or (ii) (if required pursuant to the terms of a Terms Agreement) the Company sells Notes to one or more Agents pursuant to a Terms Agreement, the Company shall furnish or cause to be furnished forthwith to the Agents or the Related Agent(s), as the case may be, a written opinion of the counsel designated in Section 5(c)(i), or other counsel satisfactory to the Agents or the Related Agent(s), as the case may be, dated the date of filing with the Commission, the date of effectiveness of such amendment or the Settlement Date, as the case may be, in form and substance reasonably satisfactory to the Agents or the Related Agent(s), as the case may be, of substantially the same tenor as the opinion of such counsel delivered on the date of this Agreement, but modified as necessary to relate to the Registration Statement, the General Disclosure Package and the Prospectus as amended and supplemented to the time of delivery of such opinions; or, in lieu of such opinions, counsel last furnishing such opinion to the Agents or the Related Agent(s), as the case may be, shall furnish the Agents or the Related Agent(s), as the case may be, with a letter substantially to the effect that the Agents or the Related Agent(s), as the case may be, may rely on such last opinion to the same extent as though it was dated the date of such letter authorizing reliance (except that statements in such last opinion shall be deemed to relate to the Registration Statement, the General Disclosure Package and the Prospectus as amended and supplemented to the time of delivery of such letter authorizing reliance). In the event that the aggregate principal amount of the Notes authorized for issuance and sale under this Agreement is increased or the Keep Well Agreement is modified, the Company shall furnish to or cause to be furnished forthwith to the Agents a written opinion of counsel designated in Section 5(c)(ii), or other counsel satisfactory to the Agents, dated the effectiveness of such increase or modification, in form and substance reasonably satisfactory to the Agents, of substantially the same tenor as the opinion of such counsel delivered on the date of this Agreement, but modified as necessary to relate to the increased principal amount of Notes or the amended Keep Well Agreement, as the case may be.

(q) Delivery of Future Accountants' Letters. The Company covenants and agrees with the Agents that each time that (i) the Registration Statement, the General Disclosure Package or the Prospectus shall be amended or supplemented to include additional financial information, including the filing with the Commission of any document

incorporated by reference therein that contains additional financial information or (ii) (if required pursuant to the terms of a Terms Agreement) the Company sells Notes to one or more Agents pursuant to a Terms Agreement, the Company shall cause KPMG LLP, or other independent certified public accountants reasonably satisfactory to the Agents or the Related Agent(s), as the case may be, forthwith to furnish such Agents with a letter, dated the date of filing with the Commission, the date of effectiveness or Settlement Date, as the case may be, in form and substance reasonably satisfactory to the Agents or the Related Agent(s), as the case may be, of substantially the same tenor as the letter referred to in Section 5(d) hereof but modified as necessary to relate to the Registration Statement, the General Disclosure Package and Prospectus, as amended and supplemented to the date of such letter and with such changes as may be necessary to reflect changes in the financial statements and other information derived from the accounting records of the Company; *provided, however*, with respect to a letter furnished in connection with the filing of a Quarterly Report on 10-Q or an Annual Report on Form 10-K with the Commission, the letter shall be dated the date such Quarterly Report or Annual Report is filed with the Commission; further *provided, however*, that if the Registration Statement, the General Disclosure Package or the Prospectus is amended and supplemented solely to include financial information as of and for a fiscal quarter, KPMG LLP, or other independent certified public accountants reasonably satisfactory to the Agents or the Related Agent(s), as the case may be, may limit the scope of such letter to the unaudited financial statements included in such amendment or supplement unless any other information included therein of an accounting, financial or statistical nature is of such a nature that, in the reasonable judgment of the Agents or the Related Agent(s), as the case may be, such letter should cover such other information.

(r) Due Diligence Review. The Company will cooperate with any due diligence review reasonably requested by the Agents or counsel for the Agents, fully and in a timely manner, in connection with offers and sales of Notes from time to time, including, without limitation, and upon reasonable notice, providing information and making available documents and appropriate corporate officers, during regular business hours and at the Company's principal offices.

(s) Suspension of Certain Obligations. The Company reserves the right to instruct the Agents to suspend at any time, for any period of time, the solicitation of offers to purchase the Notes from the Company. As soon as practicable, but in any event not later than one business day in New York City, after receipt of notice from the Company (such notice, if oral or telephonic, to be confirmed in writing as soon as reasonably practicable thereafter, but in any event not later than five business days in New York City after such oral or telephonic notice), the Agents will suspend solicitation of offers to purchase Notes from the Company until such time as the Company has advised the Agents that such solicitation may be resumed. During such suspension period, notwithstanding anything to the contrary contained herein, the Company shall not be required to comply with the provisions of subsections (a), (b), (c), (d), (e), (f), (g), (h), (l), (o), (p), (q) or (r) of this Section 3; *provided, however*, the Company shall remain obligated to comply with subsections (a), (b), (c), (d), (e), (h), (l) and (r) with respect to any Agent that shall then hold any Notes purchased as principal pursuant to a Terms Agreement or otherwise for a period of 30 days (or in the case of Section 3(c), nine months) after such Agent's purchase of Notes as principal. Upon advising the Agents that such solicitation may be resumed or upon entering into a new Terms Agreement with one or more Agents, however, the Company shall simultaneously provide any documents required to be delivered by subsections (a), (b), (c), (d), (e), (f), (g), (h), (l), (o), (p), (q) or (r) of this Section 3, and the Agents shall have no obligation to solicit offers to purchase the Notes or purchase Notes as principal until such documents have been received by the Agents. In addition, if the Company fails to comply with any of its obligations hereunder, except to the extent suspended as provided herein, including, without limitation, its obligations to deliver the documents required by subsections (a), (b), (c), (d), (e), (f), (g), (h), (l), (o), (p), (q) or (r) of this Section 3 hereof, the Agents shall have the right to terminate their obligations hereunder, including, without limitation, their obligations to solicit offers to purchase the Notes hereunder as agent or to purchase Notes hereunder as principal.

(t) Renewal Deadline. If, immediately prior to the third anniversary of the initial effective date of the Registration Statement (the "Renewal Deadline"), this Agreement is still in effect, the Company will, prior to the Renewal Deadline, (i) promptly notify the Agents or such Related Agent(s), as the case may be, and (ii) promptly file, if it is eligible to do so, a new automatic shelf registration statement relating to the Notes, in a form and substance satisfactory to the Agents or such Related Agent(s), as the case may be. If, at the time the Company intends to file such a new automatic shelf registration statement, it is not eligible to do so, the Company will, prior to the Renewal Deadline, (i) promptly notify the Agents or such Related Agent(s), as the case may be, (ii) promptly file a new shelf registration statement on the proper form relating to the Notes, in a form and substance satisfactory to the Agents or such Related Agent(s), as the case may be, (iii) use its reasonable best efforts to cause such new shelf

registration statement to be declared effective within 120 days after the Renewal Deadline and (iv) promptly notify the Agents or such Related Agent(s), as the case may be of such effectiveness. The Company will take all other action necessary or appropriate to permit the offering and sale of Notes to continue as contemplated in the expired Registration Statement. References herein to the “Registration Statement” shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(u) Ceasing Eligibility For Use of Automatic Shelf Registration Statement Form. If, at any time, during the term of this Agreement or otherwise when Notes purchased by one or more Related Agents as principal remain unsold, the Company receives a notice from the Commission pursuant to Rule 401(g)(2) or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (i) promptly notify the Agents or such Related Agent(s), as the case may be, (ii) promptly file a new shelf registration statement or post-effective amendment on the proper form relating to such Notes, in form and substance satisfactory to the Agents or such Related Agent(s), as the case may be, (iii) use its reasonable best efforts to cause such new shelf registration statement or post-effective amendment to be declared effective as soon as practicable and (iv) promptly notify the Agents or such Related Agent(s), as the case may be, of such effectiveness. References herein to the “Registration Statement” shall include such new shelf registration statement or post-effective amendment, as the case may be.

Section 4. Payment of Expenses. The Company will pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation, printing and filing of the Registration Statement (including financial statements and exhibits) as originally filed and each amendment thereto, (ii) the preparation, printing and delivery to the Agents of copies of any preliminary prospectus, any Issuer Free Writing Prospectus and the Prospectus and any amendments or supplements thereto and any costs associated with electronic delivery of any of the foregoing by the Agents to investors, (iii) the preparation, printing, issuance and delivery of Notes, including any fees and expenses relating to the issuance of Notes in book-entry form, (iv) the fees and disbursements of the Company’s counsel, accountants and other advisors, of Honda’s counsel and of the Trustee and its counsel, (v) the qualification of the Notes under securities laws in accordance with the provisions of Section 3(i) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Agents in connection therewith and in connection with the preparation of the Blue Sky Survey and any supplement thereto, (vi) any fees charged by rating agencies for the rating of Notes, (vii) the costs and expenses of the Company relating to investor presentations on any “road show” undertaken in connection with the marketing of the Notes, (viii) the filing fees incident to, and the reasonable fees and disbursements of counsel for the Agents in connection with, the review by FINRA, if required, of the terms of sales of Notes, (ix) the fees and expenses of any Depository (as defined in the Indenture and including, without limitation, The Depository Trust Company, Clearstream Banking, S.A., and/or Euroclear Bank, S.A./N.V.) and any nominees thereof in connection with Notes, (x) the cost of preparing, and providing any CUSIP or other identification numbers for, Notes, (xi) the costs and expenses (including, without limitation, any damages or other amounts payable in connection with legal or contractual liability) associated with the reforming of any contracts for the sale of Notes caused by a breach of the representation contained in the second sentence of Section 2(a)(ii) hereof and (xii) the reasonable fees and disbursements of counsel to the Agents incurred in connection with the establishment or re-commencement of the medium-term note program and incurred from time to time in connection with the deliveries contemplated in Sections 3(o), 3(p) and 3(q) hereof (other than deliveries pursuant to the terms of a Terms Agreement).

Section 5. Conditions of Agents’ Obligations. The obligations of the Agents hereunder are subject to the accuracy of the representations and warranties of the Company contained herein or in certificates of any officer of the Company or any of its subsidiaries delivered pursuant to the provisions hereof at each Representation Date, to the performance by the Company of its covenants and other obligations hereunder, and to the following further conditions:

(a) Effectiveness of Registration Statement and Filing of Prospectus. The Company shall have filed the Registration Statement with the Commission not earlier than three years prior to the date hereof and the Registration Statement became effective upon filing in accordance with Rule 462(e). The Company shall have filed with the Commission the Base Prospectus on or prior to the date of this Agreement and the Prospectus Supplement or any subsequent Base Prospectus prior to any Applicable Time and related Settlement Date, as applicable, in each case in the manner and within the time period required by Rule 424(b), and each Issuer Free Writing Prospectus, if any, in the manner and within the time period required by Rule 433. No stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto has been issued under the 1933 Act, no notice of

objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401 (g)(2) has been received by the Company, no order preventing or suspending the use of any preliminary prospectus or the Prospectus or any amendment or supplement thereto has been issued and no proceedings for any of those purposes have been instituted or are pending or, to the Company's knowledge, contemplated.

(b) Opinion of Counsel for the Agents. On the date of this Agreement, the Agents shall have received the favorable written opinion or opinions of Sidley Austin LLP, counsel for the Agents, dated such date, with respect to such matters as the Agents may reasonably request. In giving such opinion or opinions, such counsel may rely, as to all matters governed by the laws of jurisdictions other than the laws of the State of New York and the federal securities laws of the United States, upon the opinions of counsel satisfactory to the Agents. Such counsel may also state that, insofar as such opinion involves factual matters, they have relied, to the extent they deem proper, upon certificates of officers and other representatives of the Company and its subsidiaries and certificates of public officials.

(c) Opinion of Counsel to the Company and Counsel to Honda. On the date of this Agreement, the Agents shall have received the written opinion or opinions of (i) O'Melveny & Myers LLP, counsel to the Company, dated such date, in form and substance satisfactory to the Agents, and (ii) Mori Hamada & Matsumoto, counsel to Honda, dated such date, in form and substance satisfactory to the Agents.

(d) Accountants' Letter. On the date of this Agreement, the Agents shall have received a letter from KPMG LLP, dated such date, in form and substance previously agreed to by the Company and the Agents.

(e) Honda Confirmation Letter regarding the Keep Well Agreement. On the date of this Agreement, the Agents shall have received a certificate of an authorized officer of Honda, dated such date, to the effect that (i) the Keep Well Agreement has been duly authorized by Honda in accordance with resolutions of the board of directors of Honda and remains valid as of the date of the letter, (ii) Honda has authorized that indebtedness under all Notes issued at any time by the Company under this Agreement shall be approved indebtedness for borrowed money, and accordingly shall constitute Debt (as defined therein), under the Keep Well Agreement, and (iii) the copy of the Keep Well Agreement delivered by Honda to the Agents conforms to the original.

(f) Officers' Certificate for the Company. On the date of this Agreement, except as stated in the Registration Statement, the General Disclosure Package and the Prospectus, there shall not have been, since the date of the latest audited financial statements included in the Registration Statement, the General Disclosure Package and the Prospectus, any Material Adverse Change, and the Agents shall have received a certificate of the Chief Executive Officer or President of the Company and of the Chief Financial Officer or Chief Accounting Officer of the Company, dated such date, to the effect that (i) there has been no such Material Adverse Change, (ii) the representations and warranties of the Company in this Agreement are true and correct with the same force and effect as though expressly made on and as of such date, and (iii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied on or prior to such date in all material respects.

(g) Additional Documents. On the date of this Agreement, counsel for the Agents shall have been furnished with such documents and opinions as they may reasonably require for the purpose of enabling them to render the opinions or make the statements requested by the Agents, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the covenants, obligations or conditions, contained herein; and all proceedings taken by the Company in connection with the issuance and sale of the Notes as contemplated herein shall be satisfactory in form and substance to the Agents and counsel for the Agents.

(h) Termination of this Agreement. If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the applicable Agents by notice to the Company at any time, and any such termination shall be without liability of any party to any other party except the provisions of Sections 2, 3(j), 4, 6, 7, 8, 9, 13 and 15 hereof shall remain in full force and effect notwithstanding such termination.

Section 6. Indemnification.

(a) Indemnification of the Agents. The Company agrees to indemnify and hold harmless the Agents, their respective affiliates (as such term is defined in Rule 501(b) of the 1933 Act Regulations (each, an “Affiliate”), selling agents, officers and directors and each person, if any, who controls an Agent within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, (x) arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), including any information deemed to be a part thereof pursuant to Rule 430B, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or (y) arising out of any untrue statement or alleged untrue statement of a material fact included in any preliminary prospectus, any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement thereto) or the omission or alleged omission in any preliminary prospectus, any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement thereto) of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any Governmental Entity, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; *provided* that (subject to Section 6(d) below) any such settlement is effected with the written consent of the Company;

(iii) against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel chosen by the Agents), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any Governmental Entity, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

*provided, however,* that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in the Registration Statement (or any amendment thereto), including any information deemed to be a part thereof pursuant to Rule 430B, or in any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with information furnished to the Company by the Agents in writing expressly for use therein.

(b) Indemnification of Company, Directors and Officers. Each Agent, severally and not jointly, agrees to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in Section 6(a) hereof, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto), including any information deemed to be a part thereof pursuant to Rule 430B, or in any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with the information furnished to the Company by such Agent in writing expressly for use therein.

(c) Actions against Parties; Notification. Each indemnified party shall give prompt notice to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability which it may have otherwise than on account of this indemnity agreement. An indemnifying party may participate at its own expense in the defense of such action or, if it so elects within a reasonable time after receipt of such notice, to assume the defense of any action brought to enforce any such claim, but if the indemnifying party elects to assume the defense, such defense shall be conducted by counsel chosen by it and satisfactory to the indemnified parties,

defendant or defendants in any action so brought. In the event that the indemnifying party elects to assume the defense of any such suit and retains such counsel, the indemnified party, defendant or defendants in the action, shall bear the fees and expenses of any additional counsel thereafter retained by them; *provided, however*, that in the event that the parties to any such action (including impleaded parties) include both the indemnifying parties and one or more indemnified parties and any such indemnified party shall have been advised by counsel chosen by it and satisfactory to the indemnifying party that there may be one or more legal defenses available to the indemnified party that are different from or additional to those available to the indemnifying party, the indemnifying party will reimburse such indemnified party as aforesaid for the fees and expenses of any counsel, as reasonably incurred, by them. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any Governmental Entity, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 6 or Section 7 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) Settlement without Consent if Failure to Reimburse. If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by this Section 6, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) hereof effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

Section 7. Contribution. If the indemnification provided for in Section 6 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the applicable Agents, on the other hand, from the applicable offering of Notes pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and the applicable Agents, on the other hand, in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company, on the one hand, and the applicable Agents, on the other hand, in connection with the applicable offering of Notes pursuant to this Agreement shall be deemed to be in the same respective proportion as the total net proceeds from such offering of Notes pursuant to this Agreement (before deducting expenses) received by the Company, on the one hand, bear to the total commissions or underwriting discounts received by the applicable Agents, on the other hand.

The relative fault of the Company, on the one hand, and the applicable Agents, on the other hand, shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by the applicable Agents and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Agents agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the applicable Agents were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 7. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an



indemnified party and referred to above in this Section 7 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any Governmental Entity, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 7, no Agent shall be required to contribute any amount in excess of the total commissions or underwriting discounts received by such Agent in connection with Notes placed with investors or underwritten by it for sale to the public.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section 7, each person, if any, who controls an Agent within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act and an Agent's Affiliates, selling agents, officers and directors shall have the same rights to contribution as such Agent, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company. The Agents' respective obligations to contribute pursuant to this Section 7 are several in proportion to the aggregate principal amount of Notes placed or underwritten by it in the applicable offering.

Section 8. Foreign Currency Judgments. The Company agrees to indemnify each of the Agents against any loss incurred by such Agent as a result of any judgment or order being given or made for the amount due under this Agreement and such judgment or order being paid in a currency (a "Judgment Currency") other than U.S. dollars as a result of any variation between (i) the rate of exchange at which U.S. dollars are converted into the Judgment Currency for the purpose of such judgment or order and (ii) the rate of exchange at which such Agent is able to purchase U.S. dollars with the amount of the Judgment Currency actually received by such Agent. The foregoing indemnity shall constitute a separate and independent obligation of the Company and shall continue in full force and effect notwithstanding any such judgment or order as aforesaid. The term "rate of exchange" shall include any premiums and costs of exchange payable in connection with the purchase of, or conversion into, the relevant currency.

Section 9. Representations, Warranties and Agreements to Survive. All representations, warranties and agreements contained in this Agreement or in certificates of officers of the Company submitted pursuant hereto, shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of an Agent or its Affiliates, selling agents, officers or directors or any person controlling such Agent, or the Company or its officers or directors, or any person controlling the Company and (ii) delivery of and payment for the Notes.

Section 10. Termination.

(a) This Agreement may be terminated for any reason, at any time, by either the Company or an Agent, as to itself, upon the giving of 30 days' prior written notice of such termination to the other parties hereto.

(b) The applicable Agent(s) may terminate a Terms Agreement to which each such Agent is a party, at any time at or prior to the Settlement Date, (i) if there has been, in such judgment of such Agent(s), since the time of execution of such Terms Agreement or since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package and the Prospectus, any Material Adverse Change, or (ii) if there has occurred any material adverse change in the financial markets in the United States or the international financial markets, any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, in each case the effect of which is such as to make it, in the judgment of such Agent(s), impracticable or inadvisable to proceed with the completion of the offering of Notes contemplated by such Terms Agreement or to enforce contracts for the sale of such Notes, or (iii) if trading in any securities of the Company has been suspended or materially limited by the Commission or if trading in any securities of Honda has been suspended or materially limited by the Tokyo Stock Exchange, or (iv) if trading generally on the NYSE, the NYSE Amex or Nasdaq has been suspended or materially limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of said exchanges or by order of the Commission, FINRA or any other

Governmental Entity, or (v) if a material disruption has occurred in commercial banking or securities settlement or clearance services in the United States or with respect to the systems of Clearstream Banking, S.A., or Euroclear Bank, S.A./N.V., in Europe, or (vi) if a banking moratorium has been declared by either Federal, California or New York authorities, or (vii) if the rating assigned by any rating agency to any debt securities of the Company as of the date of any applicable Terms Agreement shall have been lowered or withdrawn since the execution of such Terms Agreement or if any such rating agency shall have publicly announced that it has placed any debt securities of the Company on what is commonly termed a “watch list” for possible downgrading, or (viii) if there shall have come to such Agent(s)’ attention any facts that would cause such Agent(s) to reasonably believe that the General Disclosure Package, at the Applicable Time, or the Prospectus, at the time it was (or, but for the exception afforded by Rule 172, would have been) required to be delivered to a purchaser of Notes, included an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in light of the circumstances existing at the time of such delivery, not misleading.

(c) In the event of any termination under this Section 10, neither party will have any liability to the other party hereto, except that (i) the Agents shall be entitled to any commissions earned in accordance with Section 1(d) or 1(h) hereof, (ii) if at the time of termination (a) an Agent shall own any Notes purchased from the Company as principal with the intention of reselling such Notes or (b) an offer to purchase any Notes has been accepted by the Company but settlement has not occurred, the covenants set forth in Section 3 hereof shall remain in effect until such Notes are resold or settled, as the case may be (*provided, however*, that except as provided in clause (iii) below, the Company’s obligations pursuant to Section 3 hereof shall in any event terminate no later than the date that is 30 days (or in the case of Section 3(c), nine months) after the time of such termination), and (iii) the covenant set forth in Section 3(j) hereof, the provisions of Section 4 hereof, the indemnity and contribution agreements set forth in Sections 6 and 7 hereof, and the provisions of Sections 8, 9, 13 and 15 hereof shall remain in effect.

Section 11. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices shall be directed to the parties as specified below.

If to the Company:

AMERICAN HONDA FINANCE CORPORATION  
20800 Madrona Avenue  
Torrance, California 90503  
Attention: Treasury Manager  
Telephone: (310) 972-2500  
Facsimile: (310) 972-2482

with a copy to:

O’MELVENY & MYERS LLP  
400 S. Hope Street  
Los Angeles, California 90071  
Attention: John-Paul Motley, Esq.  
Telephone: (213) 430-6000

If to Merrill Lynch, Pierce, Fenner & Smith Incorporated:

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED  
Bank of America Tower  
One Bryant Park  
NY1-100-03-01  
New York, New York 10036  
Attention: Medium-Term Note Desk  
Telephone: (646) 855-6433  
Facsimile: (646) 855-0116

If to Barclays Capital Inc.:

BARCLAYS CAPITAL INC.  
745 Seventh Avenue  
New York, New York 10019  
Attention: Syndicate Registration  
Facsimile: (646) 834-8133

If to BNP Paribas Securities Corp.:

BNP PARIBAS SECURITIES CORP.  
787 Seventh Avenue  
New York, New York 10019  
Attention: Debt Capital Markets  
Telephone: (212) 841-2114  
Facsimile: (212) 841-3785  
Email: new.york.syndicate@bnpparibas.com

If to BNY Mellon Capital Markets, LLC:

BNY MELLON CAPITAL MARKETS, LLC  
101 Barclay Street, 3rd Floor  
New York, New York 10286  
Attention: Debt Capital Markets  
Telephone: (212) 815-4993  
Facsimile: (212) 815-6403

If to Citigroup Global Markets Inc.:

CITIGROUP GLOBAL MARKETS INC.  
388 Greenwich Street  
New York, New York 10013  
Attention: Transaction Execution Group  
Telephone: (212) 816-1135  
Facsimile: (646) 291-5209  
Email: TEG.NY@citi.com

If to Deutsche Bank Securities Inc.:

DEUTSCHE BANK SECURITIES INC.  
60 Wall Street  
New York, New York 10005  
Attention: Debt Capital Markets — Syndicate Desk  
Telephone: (212) 250-6801  
Facsimile: (212) 469-7875

If to HSBC Securities (USA) Inc.:

HSBC SECURITIES (USA) INC.  
452 Fifth Avenue  
New York, New York 10018  
Attention: Transaction Management  
Telephone: (212) 525-3652  
Facsimile: (212) 525-0238  
Email: dcm.americas.tmg@us.hsbc.com

If to J.P. Morgan Securities LLC:

J.P. MORGAN SECURITIES LLC  
383 Madison Avenue, 3rd Floor  
New York, New York 10179  
Attention: Investment Grade Finance  
Telephone: (212) 834-4533  
Facsimile: (212) 834-6081

If to Lloyds Securities Inc.:

LLOYDS SECURITIES INC.  
1095 Avenue of the Americas, 34th Floor  
New York, New York 10036  
Attention: Fixed Income  
Telephone: (212) 930-8961  
Facsimile: (212) 479-2882

If to Mizuho Securities USA Inc.:

MIZUHO SECURITIES USA INC.  
320 Park Avenue, 12th Floor  
New York, New York 10022  
Attention: Debt Capital Markets  
Telephone: (212) 205-7543  
Facsimile: (212) 205-7812

If to Morgan Stanley & Co. LLC:

MORGAN STANLEY & CO. LLC  
1585 Broadway, 29th Floor  
New York, New York 10036  
Attention: Investment Banking Division  
Telephone: (212) 761-6691  
Facsimile: (212) 761-0780

If to RBC Capital Markets, LLC:

RBC CAPITAL MARKETS, LLC  
200 Vesey Street, 8th Floor  
New York, New York 10281  
Attention: DCM Transaction Management  
Telephone: (866) 375-6829  
Facsimile: (212) 658-6137

If to SMBC Nikko Securities America, Inc.:

SMBC NIKKO SECURITIES AMERICA, INC.  
277 Park Avenue  
New York, New York 10172  
Attention: Debt Capital Markets  
Telephone: (212) 224-5300

If to SG Americas Securities, LLC:

SG AMERICAS SECURITIES, LLC  
245 Park Avenue  
New York, New York 10167  
Attention: Investment Grade Debt Capital Markets  
Telephone: (212) 278-6964  
Facsimile: (212) 278-7532

If to TD Securities (USA) LLC:

TD SECURITIES (USA) LLC  
31 West 52nd Street, 2nd Floor  
New York, New York 10019  
Attention: Debt Capital Markets Syndicate  
Telephone: (855) 495-9846  
Facsimile: (212) 827-7284

If to U.S. Bancorp Investments, Inc.:

U.S. BANCORP INVESTMENTS, INC.  
214 N. Tryon Street, 26th Floor  
Charlotte, North Carolina 28202  
Attention: Investment Grade Syndicate  
Telephone: (877) 558-2607  
Facsimile: (877) 219-0512

If to Wells Fargo Securities, LLC:

WELLS FARGO SECURITIES, LLC  
550 South Tryon Street, 5th Floor  
Charlotte, North Carolina 28202  
Attention: Transaction Management  
Facsimile: (704) 410-0326

Section 12. No Advisory or Fiduciary Relationship. The Company acknowledges and agrees that (a) each purchase and sale of Notes pursuant to this Agreement, including the determination of the respective initial public offering prices of Notes, if any, and any related discounts and commissions, is an arm's-length commercial transaction between the Company, on the one hand, and the Related Agents, on the other hand, (b) the Agents have not assumed and will not assume any advisory or fiduciary responsibility in favor of the Company or any of its subsidiaries or other Affiliates with respect to any offering of Notes or the process leading thereto (irrespective of whether the Related Agents have advised or are currently advising the Company or any of its subsidiaries or other Affiliates on other matters) or any other obligation to the Company except the obligations expressly set forth in this Agreement, (c) the Agents and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company, and (d) the Agents have not provided any legal, accounting, financial, regulatory or tax advice to the Company or any other person or entity with respect to any offering of Notes and the Company has consulted its own respective legal, accounting, financial, regulatory and tax advisors to the extent it deemed appropriate.

Section 13. Parties. This Agreement shall each inure to the benefit of and be binding upon the Agents and the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Agents, their respective Affiliates and selling agents, the Company and their respective successors and the controlling persons and officers and directors referred to in Sections 6 and 7 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Agents, their respective Affiliates and selling agents, the Company and their respective successors, and said controlling persons and officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Notes shall be deemed to be a successor by reason merely of such purchase.

Section 14. Assignment. The parties hereby agree that Merrill Lynch, Pierce, Fenner & Smith Incorporated may, without notice to the Company, assign its rights and obligations under this Agreement to any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Merrill Lynch, Pierce, Fenner & Smith Incorporated's capital markets, investment banking or related businesses may be transferred following the date of this Agreement.

Section 15. GOVERNING LAW. THIS AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF, THE STATE OF NEW YORK.

Section 16. TIME. TIME SHALL BE OF THE ESSENCE OF THIS AGREEMENT. EXCEPT AS OTHERWISE SET FORTH HEREIN, SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME.

Section 17. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

Section 18. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

*[Remainder of Page Intentionally Left Blank]*

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between the Agents and the Company in accordance with its terms.

Very truly yours,

AMERICAN HONDA FINANCE CORPORATION

By: /s/ Paul C. Honda

Name: Paul C. Honda

Title: Vice President and Assistant Secretary

Accepted as of the date hereof:

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: /s/ Matthew Basler

Name: Matthew Basler

Title: Managing Director

BARCLAYS CAPITAL INC.

By: /s/ Pamela Kendall

Name: Pamela Kendall

Title: Director

BNP PARIBAS SECURITIES CORP.

By: /s/ Andrew Shapiro

Name: Andrew Shapiro

Title: Managing Director

BNY MELLON CAPITAL MARKETS, LLC

By: /s/ Philip Benedict

Name: Philip Benedict

Title: MD

CITIGROUP GLOBAL MARKETS INC.

By: /s/ Jack D. McSpadden, Jr.

Name: Jack D. McSpadden, Jr.

Title: Managing Director

DEUTSCHE BANK SECURITIES INC.

By: /s/ John Han

Name: John Han

Title: Director

By: /s/ Jack McCabe

Name: Jack McCabe

Title: Managing Director



HSBC SECURITIES (USA) INC.

By: /s/ Diane Kenna  
Name: Diane Kenna  
Title: Managing Director

J.P. MORGAN SECURITIES LLC

By: /s/ Maria Sramek  
Name: Maria Sramek  
Title: Executive Director

LLOYDS SECURITIES INC.

By: /s/ David Keller  
Name: David Keller  
Title: DCM Head of Origination

MIZUHO SECURITIES USA INC.

By: /s/ Steven Fitzpatrick  
Name: Steven Fitzpatrick  
Title: MD

MORGAN STANLEY & CO. LLC

By: /s/ Yurij Slyz  
Name: Yurij Slyz  
Title: ED

RBC CAPITAL MARKETS, LLC

By: /s/ Scott G. Primrose  
Name: Scott G. Primrose  
Title: Authorized Signatory

SMBC NIKKO SECURITIES AMERICA, INC.

By: /s/ Yoshihiro Satake  
Name: Yoshihiro Satake  
Title: Managing Director

SG AMERICAS SECURITIES, LLC

By: /s/ Michael Shapiro

Name: Michael Shapiro

Title: Director

TD SECURITIES (USA) LLC

By: /s/ Elsa Wang

Name: Elsa Wang

Title: Director

U.S. BANCORP INVESTMENTS, INC.

By: /s/ Mike Dullaghan

Name: Mike Dullaghan

Title: Vice President

WELLS FARGO SECURITIES, LLC

By: /s/ Kristine Thomas

Name: Kristine Thomas

Title: Director

**American Honda Finance Corporation**

Medium-Term Notes, Series A  
Due Nine Months or More from Date of Issue

[\$●] aggregate principal amount of [●] Medium-Term Notes, Series A due [●] (the "Securities")

**TERMS AGREEMENT**

[ADDRESS OF AGENT[S]]

Ladies and Gentlemen:

American Honda Finance Corporation, a California corporation (the "Company"), proposes, on the basis of the representations and warranties, and subject to the terms and conditions, stated herein and in the First Amended and Restated Distribution Agreement, dated August 10, 2016 (the "Distribution Agreement"), between the Company and the Agents party thereto, to issue and sell to [●] [and [●]] as principal for resale ([collectively,] the "Purchaser[s]"), and [each of ]the Purchaser[s] [severally] agrees to purchase from the Company, at a purchase price of [●]% of the principal amount of the Securities[, the principal amount of] the Securities[ set forth next to such Purchaser's name on Schedule A hereto] on the terms specified in Schedule A hereto. Capitalized terms used but not defined herein have the respective meanings ascribed thereto in the Distribution Agreement. This agreement is a Terms Agreement under Section 1(e) of the Distribution Agreement.

[Payment of the purchase price for, and delivery of, the Securities shall occur on [●] in accordance with the settlement procedures provided for in the Procedures.]

[Payment of the purchase price for the Securities shall be made to the Company by wire transfer of immediately available funds to a bank account designated by the Company against delivery of certificates for the Securities to the Purchasers to be purchased by such Purchasers at the offices of Sidley Austin LLP, or at such other place as shall be agreed upon by the Purchaser[s] and the Company, at 10:00 A.M. (New York City time) on [●] (unless postponed in accordance with the provisions of Section 1(e) of the Distribution Agreement), or such other time not later than ten business days after such date as shall be agreed upon by the Purchaser[s] and the Company (such time and date of payment and delivery being herein called "Settlement Date"). It is understood that each Purchaser has authorized [●] as representative of the Purchasers, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Securities which it has agreed to purchase. [●], individually and not as representative of the Purchasers, may (but shall not be obligated to) make payment of the purchase price for the Securities to be purchased by any Purchaser whose funds have not been received by the Settlement Date but such payment shall not relieve such Purchaser from its obligations hereunder.]

Each of the provisions of the Distribution Agreement not related solely to the Agent, as placement agent of the Company, is incorporated herein by reference in its entirety, and shall be deemed to be part of this Terms Agreement to the same extent as if each such provision had been set forth in full herein. Each of the representations and warranties set forth in the Distribution Agreement shall be deemed to have been made at and as of the date of this Terms Agreement, the Applicable Time and the Settlement Date.

The Purchaser[s] confirm[s] the information furnished by [any][the] Purchaser[s] consists of the following information in the Company's pricing supplement dated [●], which supplements the prospectus dated August 10, 2016, as supplemented by the prospectus supplement dated August 10, 2016: [The concession and reallowance relating to the Securities appearing in the third paragraph of text under the caption "Underwriting," the possible stabilization of the price of the Securities in the fourth paragraph of text under the caption "Underwriting" and the statements regarding the activities of the Purchasers with respect to the Company's securities in the seventh paragraph of text under the caption "Underwriting."]

[To the extent a Purchaser is not a party to the Distribution Agreement, this Terms Agreement confirms that the terms and conditions of the Distribution Agreement shall apply to the sale of the Securities as if such Purchaser were an "Agent" under the Distribution Agreement purchasing the Securities as principal as an "Agent." Notwithstanding the foregoing or anything in the Distribution Agreement to the contrary, such Purchaser shall only be entitled to receive such opinions, certificates and letters referred to in Schedule A hereto. By executing a counterpart of this Terms Agreement, such Purchaser shall be entitled to the benefits of the Distribution Agreement solely with respect to its purchase and sale of the Securities and agrees that it will perform and comply with all the duties and obligations expressed to be assumed by an Agent as principal under or pursuant to the Distribution Agreement. Following the closing for the sale of the Securities, such Purchaser shall have no further authority, rights, powers, duties or obligations except such as may have accrued or been incurred prior to, or in connection with, the purchase and sale of the Securities.]

THIS TERMS AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS TERMS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between the Purchaser[s] and the Company in accordance with its terms.

*[signature pages follow]*

Very truly yours,

American Honda Finance Corporation

By: \_\_\_\_\_

Name:

Title:

Accepted as of the date hereof:

[Purchaser[s]]

By: \_\_\_\_\_

Name:

Title:

**Schedule A to the Terms Agreement**

Purchaser[s] and amount[s] to be purchased: [to be inserted]

The following terms, if applicable, shall be agreed to by the Purchaser(s) and the Company:

Principal Amount: [U.S. \$ \_\_\_\_\_] [foreign currencies]

If Fixed Rate Note:

Interest Rate:  
Day Count Convention:  
Interest Payment Date(s):

If Floating Rate Note:

Interest Calculation:  
 Regular Floating Rate Note  
 Inverse Floating Rate Note  
 Floating Rate/Fixed Rate Note  
Interest Rate Basis:  
Interest Determination Date:  
Initial Interest Rate:  
Initial Interest Reset Date:  
Spread, if any:  
Spread Multiplier, if any:  
Interest Reset Date(s):  
Interest Rate Reset Period:  
Index Maturity:  
Maximum Interest Rate, if any:  
Minimum Interest Rate, if any:  
Calculation Agent:  
Day Count Convention:  
Interest Payment Date(s):  
Interest Payment Period:

If Redeemable:

Initial Redemption Date:  
Initial Redemption Percentage:  
Annual Redemption Percentage:  
Reduction, if any:

If Repayable:

Holder's Optional Repayment  
Date(s):

Stated Maturity Date:  
Issue Price: \_\_%

Purchasers:  
Purchaser's Discount or Commission:  
Trade Date:  
Settlement Date:

Also, agreement as to whether the following will be required:

1. Officers' Certificates pursuant to Section 3(o) of the Distribution Agreement.
2. Opinions and Letters of Counsel pursuant to Section 3(p) of the Distribution Agreement.
3. Accountants' Letter pursuant to Section 3(q) of the Distribution Agreement.
4. Other: \_\_\_\_\_

Annex I-4

[FORM OF AGENT ACCESSION LETTER]

To: American Honda Finance Corporation  
20800 Madrona Avenue  
Torrance, California 90503

[date]

Dear Sirs,

**Re: American Honda Finance Corporation**  
**Medium-Term Notes, Series A**

[Description of issue] (the “Notes”)

We refer to the First Amended and Restated Distribution Agreement dated August 10, 2016 made between you and the Agents party thereto (the “**Distribution Agreement**”) and to the issue of the Notes to be offered and sold thereunder.

We confirm that we are in receipt of the documents referenced below and have found them to our satisfaction or, in the case of the documents referred to in (iii) below, have waived such production<sup>1</sup>:

- (i) a copy of the Distribution Agreement;
- (ii) a copy of all current documents referred to in Section 3(f), 3(g) and 3(m) and the current Procedures referred to in Section 1(f) of the Distribution Agreement; and
- (iii) a copy of all current documents referred to in Sections 5(b), 5(c), 5(d), 5(e) and 5(f) of the Distribution Agreement) and Sections 3(o), 3(p)(i) and 3(q)(i) of the Distribution Agreement that were last furnished to the Agents in connection with the most recent amendment or supplement to the Registration Statement, the General Disclosure Package or the Prospectus.

For the purposes of the Distribution Agreement, our notice information is as follows:

[insert name, address, telephone, facsimile, and attention]

In consideration of your appointing us, pursuant to Section 1(j) of the Distribution Agreement, as an “Agent” under the Distribution Agreement [solely with respect to the sale of the Notes], we hereby undertake, with effect from and including the date hereof, for the benefit of you and each of the other Agents, that we will perform and comply with all the duties and obligations expressed to be assumed by an Agent under or pursuant to the Distribution Agreement. [Following [the issue][the closing for the sale] of the Notes, we shall have no further authority, rights, powers, duties or obligations except such as may have accrued or been incurred prior to, or in connection with, the placement of the Notes.]

<sup>2</sup>

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<sup>1</sup> It is important to ensure that each original legal opinion and SAS 72 comfort letter permits it to be delivered to, and relied upon by New Agents; otherwise a side letter to this effect should be provided.

<sup>2</sup> To be included for a dealer for a day.

[This letter and that certain confirmation letter dated the date hereof from you to us shall hereafter be read and construed in conjunction and as one document with the Distribution Agreement, and references to “the Agreement”, “this Agreement” or “the Distribution Agreement” in the Distribution Agreement or in any other agreement, instrument or other document executed thereunder or delivered pursuant thereto shall for all purposes refer to the Distribution Agreement incorporating and as supplemented by this letter and that certain confirmation letter referenced above.]<sup>3</sup>

THIS LETTER AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF, THE STATE OF NEW YORK.

Sincerely yours,

[Name of New Agent]

By: \_\_\_\_\_  
Title:

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<sup>3</sup> To be included for a permanent new agent.



[FORM OF CONFIRMATION LETTER]

To: [Name and address of New Agent]

[date]

Dear Sirs,

**Re: American Honda Finance Corporation  
Medium-Term Notes, Series A**

We refer to the First Amended and Restated Distribution Agreement, dated August 10, 2016 (the “**Distribution Agreement**”), entered into in respect of American Honda Finance Corporation’s (the “**Company**”) Medium-Term Notes, Series A and hereby acknowledge receipt of your Agent Accession Letter to us dated [●].

In accordance with Section 1(j) of the Distribution Agreement, we hereby confirm that, with effect from and including the date hereof, the Company has appointed [●] (“you”), and you shall become, an Agent under the Distribution Agreement, vested with all the authority, rights, powers, duties and obligations of an Agent as if originally named as an Agent under the Distribution Agreement[, solely with respect to the sale of the Notes identified in that Agent Accession Letter (the “**Notes**”) dated the date hereof; *provided* that following the issue of the Notes, you shall have no further such authority, rights, powers, duties or obligations except such as may have accrued or been incurred prior to, or in connection with, the placement of the Notes.]<sup>4</sup>

[This letter and that certain accession letter dated the date hereof from you to us shall hereafter be read and construed in conjunction and as one document with the Distribution Agreement, and references to “the Agreement”, “this Agreement” or “the Distribution Agreement” in the Distribution Agreement or in any other agreement, instrument or other document executed thereunder or delivered pursuant thereto shall for all purposes refer to the Distribution Agreement incorporating and as supplemented by this letter and that certain accession letter referenced above.]<sup>5</sup>

Sincerely yours,

American Honda Finance Corporation

By: \_\_\_\_\_  
Title:

<sup>4</sup> To be included for a dealer for a day.

<sup>5</sup> To be included for a permanent new agent.

**Schedule A**

As compensation for services, the Company shall pay a commission for the sale of each Note equal to the principal amount of such Note multiplied by the appropriate percentage set forth below:

MATURITY RANGES		PERCENT OF PRINCIPAL AMOUNT
From 9 months but less than 1 year	....	.03%
From 1 year but less than 18 months	....	.03%
From 18 months but less than 2 years	....	.045%
From 2 years but less than 3 years	....	.06%
From 3 years but less than 4 years	....	.09%
From 4 years but less than 5 years	....	.12%
5* years	....	.15%

\* Commission on Notes with maturities greater than 5 years shall be agreed to by the Company and the applicable Agent at the time of the relevant trade.

Schedule A

[INSERT IF THIS NOTE IS A GLOBAL SECURITY — THIS NOTE IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN CERTIFICATED FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TRUST COMPANY (“THE DEPOSITARY”) TO A NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

**American Honda Finance Corporation**  
**Medium-Term Note, Series A**  
**(Floating Rate)**

No. Principal Amount  
\$

REGISTERED:

CUSIP:

ORIGINAL ISSUE DATE:

STATED MATURITY:

INITIAL INTEREST RATE:

SPREAD:

INDEX MATURITY:

SPREAD MULTIPLIER:

INTEREST RATE BASIS:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li><input type="checkbox"/> LIBOR</li> <li style="padding-left: 20px;">Designated LIBOR Page:</li> <li style="padding-left: 40px;"><input type="checkbox"/> Reuters Page LIBOR 01</li> <li style="padding-left: 40px;"><input type="checkbox"/> Reuters Page LIBOR 02</li> <li style="padding-left: 20px;">Designated LIBOR</li> <li style="padding-left: 20px;">Currency:</li> <li><input type="checkbox"/> Federal Funds Rate:</li> <li style="padding-left: 20px;"><input type="checkbox"/> Federal Funds (Effective) Rate</li> <li style="padding-left: 20px;"><input type="checkbox"/> Federal Funds Open Rate</li> <li style="padding-left: 20px;"><input type="checkbox"/> Federal Funds Target Rate</li> <li style="padding-left: 20px;"><input type="checkbox"/> Federal Funds Rate (FEDL01)</li> </ul> | <ul style="list-style-type: none"> <li><input type="checkbox"/> Treasury Rate</li> <li><input type="checkbox"/> CMT RATE</li> <li style="padding-left: 20px;"><input type="checkbox"/> Reuters Page FRBCMT</li> <li style="padding-left: 20px;"><input type="checkbox"/> Reuters Page FEDCMT:</li> <li style="padding-left: 40px;"><input type="checkbox"/> Weekly Average</li> <li style="padding-left: 40px;"><input type="checkbox"/> Monthly Average</li> <li><input type="checkbox"/> Commercial Paper Rate</li> <li><input type="checkbox"/> Prime Rate</li> <li><input type="checkbox"/> CD Rate</li> <li><input type="checkbox"/> Eleventh District Cost of Funds Rate</li> </ul> |
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EURIBOR

INTEREST CATEGORY:

- Regular Floating Rate Note
- Floating Rate/Fixed Rate Note
- Fixed Rate Commencement Date:
- Fixed Interest Rate: %
- Inverse Floating Rate Note
- Fixed Interest Rate: %
- Other Floating Rate Note

DAY COUNT CONVENTION:

- 30/360 for the period
- from to
- Actual/360 for the period
- from to
- Actual/Actual for the period
- from to

INTEREST RATE RESET CUTOFF DATE:

MAXIMUM INTEREST RATE:

MINIMUM INTEREST RATE:

INITIAL INTEREST RESET DATE:

INTEREST RESET DATES:

INTEREST DETERMINATION DATES (if different than provided below):

SPREAD/SPREAD MULTIPLIER RESET OPTION:

Yes  No

OPTIONAL RESET DATES:

CHECK IF DISCOUNT NOTE

Issue Price %:

DENOMINATIONS: (\$2,000, and integral multiples of \$1,000 unless otherwise specified below):

HOLDER'S OPTIONAL REPAYMENT DATE(S):

REDEMPTION:

INITIAL REDEMPTION DATE<sup>1</sup>:

INITIAL REDEMPTION PERCENTAGE:

ANNUAL REDEMPTION PERCENTAGE REDUCTION:

INTEREST RESET PERIOD:

INTEREST PAYMENT DATES:

REGULAR RECORD DATES:

SPECIFIED CURRENCY: United States dollars unless otherwise specified below:

- Payments of principal and any premium:
- Payments of interest:
- Exchange Rate Agent:

CALCULATION AGENT:

OTHER PROVISIONS:

ADDENDUM ATTACHED:  Yes  
 No

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<sup>1</sup> If an Initial Redemption Date is specified above, this Note may be redeemed either in whole or from time to time in part, except that if the following box is marked, this Note may be redeemed in whole only.

**American Honda Finance Corporation**, a California corporation (herein called the “Company,” which term includes any successor corporation under the Indenture referred to herein), for value received, hereby promises to pay to [Insert if this Note is a Certificated Security — ] [Insert if this Note is a Global Security — CEDE & CO.] or its registered assigns, the principal sum of \_\_\_\_\_ on the Stated Maturity specified above, and to pay interest thereon at the rate per annum determined by reference to the Interest Rate Basis or Bases, if any, specified above and in accordance with the provisions herein, until the principal hereof is paid or made available for payment. The Company will pay interest on the Interest Payment Dates specified above, commencing with the Interest Payment Date immediately following the Original Issue Date specified above and on the Stated Maturity or any earlier redemption date or optional repayment date specified above (such Stated Maturity and any earlier redemption date or optional repayment date or any other date that the principal amount hereof or an installment thereof is due and payable, whether by declaration of acceleration pursuant to the Indenture or otherwise, being referred to hereinafter as a “Maturity” with respect to the portion of the principal amount payable on such date); *provided* that if the Original Issue Date specified above is after a Regular Record Date as specified above and on or before the related Interest Payment Date, interest payments will commence on the next succeeding Interest Payment Date. Interest on this Note will accrue from and including the immediately preceding Interest Payment Date in respect of which interest has been paid or made available for payment or, if no interest has been paid or made available for payment, from and including the Original Issue Date specified above to, but excluding, the related Interest Payment Date or Maturity, as the case may be. If any Interest Payment Date other than an Interest Payment Date at Maturity would fall on a day that is not a Business Day (as defined below), the payment of interest will be made the next succeeding Business Day with full force and effect as if the payment had been made on such Interest Payment Date; *provided* that if any Interest Payment Date would fall on a day that is not a Business Day and the Interest Rate Basis specified above is LIBOR, EURIBOR or Federal Funds Rate, and if such next succeeding Business Day is the next succeeding calendar month, the payment of interest will instead be made on the immediately preceding Business Day (the “Modified Following Business Day Convention”). If the Maturity would fall on a day that is not a Business Day, the related payment of principal, premium, if any, and interest will be made the next succeeding Business Day with full force and effect as if the payment had been made at the Maturity, and no interest on such payment will accrue for the period from and after the Maturity to the date of that payment on the next succeeding Business Day. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest (whether or not a Business Day) next preceding such Interest Payment Date; *provided*, however, that interest payable at Maturity shall be payable to the Person to whom the principal hereof is payable. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to the Holder of this Note not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange upon which the Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture. Payment of principal, premium, if any, and interest payable at Maturity of this Note will be made in immediately available funds if this Note is presented and surrendered (in the case of any payment on any Holder’s Optional Repayment Date, together with the “Option to Elect Repayment” form attached hereto duly completed) at the office or agency of the Company maintained for that purpose in The City of New York (currently the corporate trust office of the Paying Agent (as defined below) in The City of New York) in time for payment to be made in such funds in accordance with the normal procedures of Deutsche Bank Trust Company Americas, as paying agent, or such other paying agent, if any, specified in an Addendum attached hereto (the “Paying Agent”, which term includes any successor paying agent under the Indenture) ; *provided*, however, that if the Specified Currency of such payment is other than United States dollars and such payment is to be made in the Specified Currency in accordance with the provisions set forth below, such payment will be made by wire transfer of immediately available funds to an account with a bank designated by the Holder hereof at least fifteen days prior to the Maturity, *provided* that such bank has appropriate facilities therefor and that this Note is presented and surrendered and, if applicable, a duly completed “Option to Elect Repayment” form is delivered at the aforementioned office of the Paying Agent in time for the Paying Agent to make such payment in such funds in accordance with its normal procedures. [Insert if this Note is a Global Security – Payment of the principal of, premium, if any, and interest on this Note in United States dollars will be made by transfer of immediately available funds to the Depository or its nominee.] [Insert if this Note is a Certificated Security – Payments of interest on this Note (other than interest due at Maturity) will be made by check mailed to the address of the Person entitled thereto

as such address shall appear in the Security Register. Notwithstanding the foregoing, a holder of U.S.\$10,000,000 (or, if the Specified Currency is other than United States dollars, the equivalent thereof in the Specified Currency) or more in aggregate principal amount of Notes in certificated form (whether having identical or different terms and provisions) shall be entitled to receive such payment of interest by wire transfer of immediately available funds, but only if appropriate payment instructions have been received in writing by the Paying Agent not less than fifteen days before the applicable Interest Payment Date. Any such wire transfer instructions received by the Paying Agent shall remain in effect until revoked by the Holder hereof.]

“Business Day” means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in The City of New York; *provided, however,* that, if the Specified Currency above is not United States dollars, the day is also not a day on which commercial banks are authorized or required by law, regulation or executive order to close in the Principal Financial Center (as defined below) of the country issuing the Specified Currency or, if the Specified Currency is euro, the day is also a TARGET Business Day (as defined below); *provided further,* that if LIBOR is the applicable Interest Rate Basis, the date is also a London Banking Day (as defined below); *provided further,* that if EURIBOR is the applicable Interest Rate Basis, the date is also a TARGET Business Day.

“Principal Financial Center” means

- (1) the capital city of the country issuing the Specified Currency, or
- (2) the capital city of the country to which the Designated LIBOR Currency relates,

except, in each case, that with respect to United States dollars, Australian dollars, Canadian dollars, euros, New Zealand dollars, South African rand and Swiss francs, the “Principal Financial Center” will be The City of New York, Sydney, Toronto, London (solely in the case of the Designated LIBOR Currency), Wellington, Johannesburg and Zurich, respectively.

“TARGET Business Day” means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System or any successor thereto is open.

“London Banking Day” means a day on which commercial banks are open for business, including dealings in the Designated LIBOR Currency, in London.

Unless otherwise specified herein, payments of principal of, premium, if any, and interest on, this Note will be made in the applicable Specified Currency, provided, however, that if this Note is denominated in a Specified Currency other than United States dollars, payments of principal of, premium, if any, and interest on, this Note will [Insert if this Note is a Global Security — be made in United States dollars unless the Depository notifies the Paying Agent, prior to the fifth Business Day after the applicable Regular Record Date for such payment or on or prior to the tenth Business Day prior to Maturity, as the case may be (or prior to such other dates as may then be required under the Depository’s customary procedures), of the amount of any such payment to be made in the Specified Currency and the applicable wire transfer instructions for such amount, in which case the Paying Agent shall use such wire instructions to pay such amount in the Specified Currency.][Insert if this Note is a Certificated Security — be made in United States dollars if the Person entitled to receive such payment transmits a written request for such payment to be made in United States dollars to the office of the Paying Agent in The City of New York, on or before the applicable Regular Record Date or at least fifteen calendar days before Maturity, as the case may be. Such written request may be mailed, hand delivered, or sent by cable, telex or other form of facsimile transmission. Any such request made with respect to any payment on this Note payable to a particular Holder will remain in effect for all later payments on this Note payable to such Holder, unless such request is revoked by written notice to the Paying Agent on or before the applicable Regular Record Date or at least fifteen calendar days before Maturity, as the case may be, in which case such revocation shall be effective for such and all later payments.]

If any payment under this Note is to be made in United States dollars in accordance with the provisions of the immediately preceding paragraph, such United States dollar amount will be based upon the highest bid quotation received by the Exchange Rate Agent specified above as of 11:00 A.M., New York City time, on the second

Business Day preceding the applicable payment date. The Exchange Agent shall obtain the highest bid quotation by asking three recognized foreign exchange dealers in The City of New York selected by the Company (one of whom may be the Exchange Rate Agent) for their bid quotations for the purchase of the Specified Currency in exchange for United States dollars for settlement on such payment date in the aggregate amount of such Specified Currency payable on such payment date to all Holders of Notes who are scheduled to receive United States dollar payments on such payment date, and at which the applicable dealer commits to execute a contract. If three such bid quotations are not available on such second Business Day, such payment will be made in the Specified Currency for such payment. All currency exchange costs associated with any payment in United States dollars on this Note will be borne by the Holder of this Note, by deduction from such payment.

Notwithstanding anything in the foregoing to the contrary, if the Specified Currency is not available, in the Company's good faith judgment, for any amount payable on this Note on the applicable payment date (including at Maturity) due to the imposition of exchange controls or any other circumstances beyond the control of the Company, or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, the Company will be entitled to satisfy its obligation to pay such amount in such Specified Currency by making such payment in United States dollars. Unless otherwise specified in an Addendum attached hereto, the amount of such payment in United States dollars shall be determined on the basis of the Market Exchange Rate (as defined below) as computed by the Exchange Rate Agent on the second Business Day preceding the applicable payment date, or if the Market Exchange Rate is not available on the second Business Day preceding the applicable payment date, on the basis of the most recently available Market Exchange Rate on or preceding the applicable payment date, or as otherwise determined by the Company in good faith, if the foregoing is impracticable. The "Market Exchange Rate" for a Specified Currency other than United States dollars means the noon dollar buying rate for cable transfers in The City of New York for such Specified Currency as certified for custom purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York. Any payment made under such circumstances in United States dollars where the required payment is in other than United States dollars will not constitute a default under the Indenture or this Note.

If this Note is denominated in a Specified Currency other than United States dollars, in the event of an official redenomination of such Specified Currency (including, without limitation, an official redenomination of such Specified Currency that is a composite currency) the obligations of the Company with respect to payments on this Note denominated in such Specified Currency shall, in all cases, be regarded immediately following such redenomination as providing for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such redenomination. No adjustment will be made to any amount payable under this Note as a result of (a) any change in the value of such Specified Currency relative to any other currency due solely to fluctuations in exchange rates or (b) any redenomination of any component currency of any composite currency (unless such composite currency is itself officially redenominated). If the official unit of any component currency is altered by way of combination or subdivision, the number of units of that currency as a component shall be divided or multiplied in the same proportion. If two or more component currencies are consolidated into a single currency, the amounts of those currencies as components shall be replaced by an amount in such single currency. If any component currency is divided into two or more currencies, the amount of that original component currency as a component shall be replaced by the amounts of such two or more currencies having an aggregate value on the date of division equal to the amount of the former component currency immediately before such division.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions will for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been manually executed by or on behalf of the Trustee under the Indenture, this Note will not be entitled to any benefits under the Indenture or be valid or obligatory for any purpose.

References herein to the "Note," "hereof," "herein" and comparable terms shall include any Addendum hereto if any Addendum is specified under "Other Provisions" above.

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed, manually or in facsimile.

Dated:

**AMERICAN HONDA FINANCE CORPORATION**

By: \_\_\_\_\_  
Name:  
Title:

ATTEST:

By: \_\_\_\_\_  
Assistant Secretary

**CERTIFICATE OF AUTHENTICATION**

This is one of the Securities of the series designated herein issued under the within-mentioned Indenture.

Deutsche Bank Trust Company Americas,  
as Trustee

By: \_\_\_\_\_  
Authorized Signatory



This Note is one of a duly authorized issue of Securities of the Company, issued and to be issued in one or more series under an indenture dated as of September 5, 2013 (the “Indenture”), between the Company and Deutsche Bank Trust Company Americas, as trustee (herein called the “Trustee,” which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Note is one of the series of the Securities designated as the Medium-Term Notes, Series A (herein called the “Notes”). The Notes may bear different dates and mature at different times, may bear interest at different rates or may not bear interest and may otherwise vary, all as provided in the Indenture.

Any provision contained herein with respect to the calculation of the rate of interest applicable to this Note, its payment dates or any other matter relating hereto may be modified as specified in an Addendum relating hereto if so specified above.

This Note may be subject to repayment at the option of the Holder prior to the Stated Maturity specified above on the Holder’s Optional Repayment Date(s), if any, specified above. If no Holder’s Optional Repayment Dates are specified above, this Note may not be so repaid at the option of the Holder hereof prior to the Stated Maturity. On any Holder’s Optional Repayment Date, this Note will be repayable in whole or in part in increments of \$1,000 unless otherwise specified on the face hereof (provided that any remaining principal amount shall be an authorized denomination) at the option of the Holder hereof at a repayment price equal to 100% of the principal amount to be repaid (or, if the Discount Note box is checked above, such lesser amount as is provided in an Addendum attached hereto), together with accrued and unpaid interest thereon to, but excluding, the date of repayment, subject to the terms of any applicable Addendum hereto. For this Note to be repaid in whole or in part at the option of the Holder hereof, this Note must be received, with the form entitled “Option to Elect Repayment” set forth below (and also available at the office of the Paying Agent) duly completed, by the Paying Agent at its corporate trust office (currently at 60 Wall Street, Trust and Agency Services, 27<sup>th</sup> Floor, New York, New York 10005) or such address which the Company shall from time to time notify the Holders of the Notes, not more than 60 nor less than 30 days prior to a Holder’s Optional Repayment Date. This Note must be received by the Paying Agent by 5:00 p.m., New York City time, on the last day for the giving of such notice. Exercise of such repayment option by the Holder hereof shall be irrevocable except to the extent permitted in connection with a Spread and/or Spread Multiplier reset described below.

This Note may be redeemed at the option of the Company on any date on or after the Initial Redemption Date (any date fixed for such redemption being the “Redemption Date”), if any, specified above, and prior to the Stated Maturity specified above, in whole, or from time to time in part (if so specified above), in increments of \$1,000 unless otherwise specified on the face hereof (provided that any remaining principal amount shall be an authorized denomination) at the Redemption Price (as defined below), together with accrued and unpaid interest thereon to, but excluding, the Redemption Date, upon providing written notice of such redemption not more than 60 days nor less than 30 days prior to the Redemption Date to the Holder of this Note at such Holder’s address appearing in the Security Register, all as provided in the Indenture. Unless otherwise specified above, the “Redemption Price” shall be the Initial Redemption Percentage specified on the face hereof (as adjusted by the Annual Redemption Percentage Reduction, if any, specified on the face hereof) multiplied by the unpaid principal amount of this Note to be redeemed. The Initial Redemption Percentage shall decline at each anniversary of the Initial Redemption Date by the Annual Redemption Percentage Reduction, if any, until the Redemption Price is 100% of the unpaid principal amount of this Note to be redeemed. If less than all of the Notes having Equivalent Terms are to be redeemed, the Trustee shall select, not more than 60 days nor less than 30 days prior to the Redemption Date, by such method as the Trustee shall deem fair and appropriate in accordance with the procedures of the Depository, from Notes that are subject to redemption pursuant to the terms thereof, the Note or Notes, or portion or portions thereof, to be redeemed. If no Initial Redemption Date is specified above and no other redemption provisions are specified on the face hereof or in an Addendum attached hereto, this Note may not be redeemed prior to its Stated Maturity.

[Insert if this Note is a Global Security — In the event of redemption or repayment of this Note in part only, the principal amount of this Note shall be reduced.]

[Insert if this Note is a Certificated Security —In the event of repayment or redemption of this Note in part only, a new Note of like terms and tenor for the unpaid or unredeemed portion hereof shall be issued in the name of the Holder hereof upon the surrender hereof. ]

Commencing with the Interest Reset Date specified above first following the Original Issue Date specified above, the rate at which interest on this Note is payable will be adjusted daily, weekly, monthly, quarterly, semi-annually or annually as shown above under Interest Reset Period; *provided, however*, that the interest rate in effect for the period from the Original Issue Date to, but excluding, the first Interest Reset Date will be the Initial Interest Rate specified above; *provided further*, that with respect to Floating Rate/Fixed Rate Notes the rate of interest will not reset after the applicable date on which interest on a fixed rate basis begins to accrue. Each such adjusted rate will be applicable on and after the Interest Reset Date to which it relates, to, but not including, the next succeeding Interest Reset Date, or until Maturity, as the case may be. If any Interest Reset Date is not a Business Day, such Interest Reset Date will be postponed to the next succeeding Business Day, except, that if the Interest Rate Basis specified above is LIBOR, EURIBOR or Federal Funds Rate, and if such Business Day is in the next succeeding calendar month, such Interest Reset Date will follow the Modified Following Business Day Convention. If the Interest Rate Basis specified above is the Treasury Rate, and if the Interest Determination Date would otherwise fall on an Interest Reset Date, then such Interest Reset Date will be postponed to the next succeeding Business Day. If an Interest Rate Reset Cutoff Date is specified above, beginning on the Interest Rate Reset Cutoff Date the interest rate on the Note will be the rate in effect on the Interest Rate Reset Cutoff Date. Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date the rate of interest on this Note will be the rate determined in accordance with the provisions of the applicable heading below.

All percentages resulting from any calculations with respect to this Note will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point being rounded upwards; and all dollar amounts used in or resulting from such calculations will be rounded to the nearest cent with one-half cent or unit being rounded upward.

The interest rate borne by this Note will be determined as follows:

- (i) Unless the Interest Category of this Note is specified above as a “Floating Rate/Fixed Rate Note” or an “Inverse Floating Rate Note” or as otherwise specified herein, this Note will be designated as a “Regular Floating Rate Note” and, except as set forth herein or specified above, will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the Spread, if any, and/or (b) multiplied by the Spread Multiplier, if any, in each case as specified above. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note will be payable will be reset as of each Interest Reset Date specified above; *provided, however*, that the interest rate in effect for the period, if any, from the Original Issue Date to, but excluding, the Initial Interest Reset Date will be the Initial Interest Rate.
- (ii) If the Interest Category of this Note is specified above as a “Floating Rate/Fixed Rate Note”, then, except as set forth herein or specified above, this Note will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the Spread, if any, and/or (b) multiplied by the Spread Multiplier, if any, in each case as specified above. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note will be payable will be reset as of each Interest Reset Date; *provided, however*, that (y) the interest rate in effect for the period, if any, from the Original Issue Date to, but excluding, the Initial Interest Reset Date will be the Initial Interest Rate and (z) the interest rate in effect for the period commencing on, and including, the Fixed Rate Commencement Date specified on the face hereof to the Stated Maturity will be the Fixed Interest Rate specified above or, if no such Fixed Interest Rate is specified, the interest rate in effect hereon on the day immediately preceding the Fixed Rate Commencement Date.
- (iii) If the Interest Category of this Note is specified above as an “Inverse Floating Rate Note”, then, except as set forth herein or specified above, this Note will bear interest at the Fixed Interest Rate minus the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the Spread, if any, and/or (b) multiplied by the Spread Multiplier, if any, in each case as specified above; *provided, however*, that, unless otherwise specified above or herein, the interest rate hereon will not be less than zero

percent. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note will be payable will be reset as of each Interest Reset Date; *provided, however*, that the interest rate in effect for the period, if any, from the Original Issue Date to, but excluding, the Initial Interest Reset Date will be the Initial Interest Rate.

Unless otherwise specified herein, with respect to any day on which interest on this Note is to be determined by reference to an applicable Interest Rate Basis or Bases, the interest rate in effect on such day will be: (i) if the day is an Interest Reset Date, the interest rate determined as of the Interest Determination Date immediately preceding the applicable Interest Reset Date, or (ii) if the day is not an Interest Reset Date, the interest rate determined as of the Interest Determination Date immediately preceding the most recent Interest Reset Date, *provided, however*, that the interest rate in effect for the period from the Original Issue Date to, but excluding, the first Interest Reset Date will be the Initial Interest Rate.

Determination of CD Rate. If the Interest Reset Basis specified above is the CD Rate, the interest rate with respect to this Note will be the CD Rate plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above. “CD Rate” means, with respect to any Interest Determination Date, the rate on such date for negotiable United States dollar certificates of deposit having the Index Maturity specified above as published in H.15(519) (as defined below) under the caption “CDs (secondary market)” or, if not so published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, the CD Rate will be the rate on such Interest Determination Date for negotiable United States dollar certificates of deposit of the Index Maturity specified above as published in H.15 Daily Update (as defined below), or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “CDs (secondary market)”. If such rate is not yet published in H.15(519), H.15 Daily Update or other recognized electronic source by 3:00 P.M., New York City time, on the Calculation Date (as defined below) pertaining to such Interest Determination Date, then the CD Rate on such Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time, on such Interest Determination Date, of three leading non-bank dealers in negotiable United States dollar certificates of deposit in The City of New York selected by the Company for negotiable United States dollar certificates of deposit with a remaining maturity closest to the Index Maturity specified above in an amount that is representative for a single transaction in that market at that time; *provided, however*, that if the dealers selected as aforesaid by the Company are not quoting as mentioned in this sentence, the CD Rate determined as of such Interest Determination Date will be the CD Rate in effect on such Interest Determination Date.

“H.15(519)” means the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System or its successor and available on their website via <http://federalreserve.gov/releases/h15> or any successor site or publication.

“H.15 Daily Update” means the daily update of H.15(519) published by the Board of Governors of the Federal Reserve System and available on their website at <http://www.federalreserve.gov/releases/h15/update/default.htm>, or any successor site or publication.

Determination of CMT Rate. If the Interest Reset Basis specified above is the CMT Rate, the interest rate with respect to this Note will be the CMT Rate plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above. “CMT Rate” means with respect to any Interest Determination Date:

- (i) If Reuters Page (as defined below) FRBCMT is specified above, the percentage equal to the yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above as published in H.15(519) under the caption “Treasury constant maturities”, as the yield is displayed on Reuters Page FRBCMT or, if not so displayed, as displayed on the Bloomberg L.P. (“Bloomberg”) service (or any successor service) on page NDX7 (or any other page as may replace the specified page on that service) (“Bloomberg Page NDX7”), in each case, for such Interest Determination Date. If such rate does not appear on Reuters Page FRBCMT or Bloomberg Page NDX7, as the case may be, the CMT Rate on such Interest Determination Date will be the percentage equal to the yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above and for such Interest Determination Date as published in H.15(519) under the caption “Treasury constant maturities”. If such rate does not appear in H.15(519), the CMT Rate on such Interest Determination Date will be the rate on

such Interest Determination Date for the period of the Index Maturity specified above as may then be published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15(519). If such rate is not published as specified in the preceding sentence, the CMT Rate on such Interest Determination Date will be calculated by the Calculation Agent and will be a yield-to-maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on such Interest Determination Date of three leading primary United States government securities dealers in The City of New York (each, a "Reference Dealer") selected by the Company from five Reference Dealers selected by the Company and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) for United States Treasury securities with an original maturity equal to the Index Maturity specified above, a remaining term to maturity no more than one year shorter than the Index Maturity specified above and in a principal amount that is representative for a single transaction in such securities in such market at such time. If fewer than five but more than two such prices are provided as requested, the CMT Rate on such Interest Determination Date will be calculated by the Calculation Agent and will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of such quotations will be eliminated. If fewer than three prices are provided as requested, the CMT Rate on such Interest Determination Date will be calculated by the Calculation Agent and will be a yield-to-maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on such Interest Determination Date of three Reference Dealers selected by the Company from five Reference Dealers selected by the Company and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) for United States Treasury securities with an original maturity greater than the Index Maturity specified above, a remaining term to maturity closest to the Index Maturity specified above, and in a principal amount that is representative for a single transaction in such securities in such market at such time. If fewer than five but more than two such prices are provided as requested, the CMT Rate on such Interest Determination Date will be calculated by the Calculation Agent and will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated; *provided, however*, that if fewer than three such prices are provided as requested, the CMT Rate determined as of such Interest Determination Date will be the CMT Rate in effect on such Interest Determination Date. If two such United States Treasury securities with an original maturity longer than the Index Maturity specified above have remaining terms to maturity equally close to the Index Maturity specified above, the quotes for the United States Treasury security with the shorter original term to maturity will be used.

(ii) If Reuters Page FEDCMT is specified above, the percentage equal to the one-week or one-month, as specified above, average yield for United States Treasury securities at "constant maturity" having the Index Maturity specified above as published in H.15(519) under the caption "Treasury constant maturities", as such yield is displayed on Reuters Page FEDCMT or, if not so displayed, as displayed on the Bloomberg service (or any successor service) on Bloomberg Page NDX7, for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which such Interest Determination Date falls. If such rate does not appear on Reuters Page FEDCMT or Bloomberg Page NDX7, as the case may be, the CMT Rate on such Interest Rate Determination Date will be the percentage equal to the one-week or one-month, as specified above, average yield for United States Treasury securities at "constant maturity" having the Index Maturity specified above and for the week or month, as applicable, preceding such Interest Determination Date as published in H.15(519) under the caption "Treasury constant maturities". If such rate does not appear in H.15(519), the CMT Rate on such Interest Determination Date will be the one-week or one-month, as specified above, average yield for United States Treasury securities at "constant maturity" having the Index Maturity specified above as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which such Interest Determination Date falls. If such rate is not published as specified in the preceding sentence, the CMT Rate on such Interest Determination Date will be calculated by the Calculation Agent and will be a yield-to-maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on such Interest Determination Date of three Reference Dealers selected by the Company from five such Reference Dealers selected by the Company and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) for United States Treasury securities with an original

maturity equal to the Index Maturity specified above, a remaining term to maturity of no more than one year shorter than the Index Maturity specified above and in a principal amount that is representative for a single transaction in such securities in such market at such time. If fewer than five but more than two such prices are provided as requested, the CMT Rate on such Interest Determination Date will be calculated by the Calculation Agent and will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of such quotations will be eliminated. If fewer than three prices are provided as requested, the CMT Rate on such Interest Determination Date will be calculated by the Calculation Agent and will be a yield-to-maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on such Interest Determination Date of three Reference Dealers selected by the Company from five Reference Dealers selected by the Company and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) for United States Treasury securities with an original maturity greater than the Index Maturity specified above, a remaining term to maturity closest to the Index Maturity specified above and in a principal amount that is representative for a single transaction in such securities in such market at such time. If fewer than five but more than two such prices are provided as requested, the CMT Rate on such Interest Determination Date will be calculated by the Calculation Agent and will be based on the arithmetic mean of the bid prices obtained and neither the highest or the lowest of such quotations will be eliminated; *provided, however*, that if fewer than three such prices are provided as requested, the CMT Rate determined as of such Interest Determination Date will be the CMT Rate in effect on such Interest Determination Date. If two United States Treasury securities with an original maturity greater than the Index Maturity specified above have remaining terms to maturity equally close to the Index Maturity specified above, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

“Reuters Page” means the display on the Reuters 3000 Xtra Service, or any successor service, on the page or pages specified in this Note, or any replacement page or pages on that service.

Determination of Commercial Paper Rate. If the Interest Rate Reset Basis specified above is the Commercial Paper Rate, the interest rate with respect to this Note will be the Commercial Paper Rate plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above. “Commercial Paper Rate” means, with respect to any Interest Determination Date, the Money Market Yield (as defined below) of the rate on such Interest Determination Date for commercial paper having the Index Maturity specified above as published in H.15(519) under the caption “Commercial Paper-Nonfinancial”. In the event that such rate is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, then the Commercial Paper Rate will be the Money Market Yield of the rate on such Interest Determination Date for commercial paper having the Index Maturity specified above as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “Commercial Paper-Nonfinancial.” If by 3:00 P.M., New York City time, on such Calculation Date such rate is not yet published in either H.15(519), H.15 Daily Update or other recognized electronic source, the Commercial Paper Rate for such Interest Determination Date will be calculated by the Calculation Agent and will be the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on that Interest Determination Date, of three leading dealers of United States dollar commercial paper in The City of New York selected by the Company for commercial paper having the Index Maturity specified above placed for industrial issuers whose bond rating is “AA,” or the equivalent, from a nationally recognized statistical rating organization; *provided, however*, that if the dealers selected as aforesaid by the Company are not quoting as mentioned in this sentence, the Commercial Paper Rate determined as of such Interest Determination Date will be the Commercial Paper Rate in effect on such Interest Determination Date.

“Money Market Yield” means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where “D” refers to the applicable per annum rate for commercial paper, quoted on a bank discount basis and expressed as a decimal; and “M” refers to the actual number of days in the applicable interest reset period.

Determination of Eleventh District Cost of Funds Rate. If the Interest Rate Basis specified above is the Eleventh District Cost of Funds Rate, the interest rate with respect to this Note will be the Eleventh District Cost of Funds Rate plus or minus the Spread, if any, and/or multiplied by the Spread Multiplier, if any, as specified above. “Eleventh District Cost of Funds Rate” means, with respect to any Interest Determination Date, the rate equal to the monthly weighted average cost of funds for the calendar month immediately preceding the month in which such Interest Determination Date falls as set forth opposite the caption “11TH District” on Reuters Page COFI/ARMS or, if not so displayed, as displayed on the Bloomberg service (or any successor service) on page ALLX COF (or any other page as may replace the specified page on that service) (“Bloomberg Page ALLX COF”), in each case as of 11:00 A.M., San Francisco time, on such Interest Determination Date. In the event that such rate does not appear on Reuters Page COFI/ARMS or Bloomberg Page ALLX COF, as the case may be, on such Interest Determination Date, then the Eleventh District Cost of Funds Rate will be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the “Index”) by the Federal Home Loan Bank of San Francisco as the cost of funds for the calendar month immediately preceding such Interest Determination Date. If the Federal Home Loan Bank of San Francisco fails to announce the Index on or before such Interest Determination Date for the calendar month immediately preceding such Interest Determination Date, the Eleventh District Cost of Funds Rate will be the Eleventh District Cost of Funds Rate in effect on such Interest Determination Date.

Determination of Federal Funds Rate. If the Interest Rate Basis specified above is the Federal Funds Rate, the interest rate with respect to this Note will be the Federal Funds Rate plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above. “Federal Funds Rate” means, with respect to any Interest Determination Date:

(i) If Federal Funds (Effective) Rate is specified above, the rate on such Interest Determination Date for United States dollar federal funds as published in H.15(519) opposite the caption “Federal funds (effective)” as displayed on Reuters Page FEDFUNDS1 under the caption “EFFECT” or, if such rate does not appear on Reuters Page FEDFUNDS1 or is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, the Federal Funds Rate will be the rate on such Interest Determination Date for United States dollar federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, opposite the caption “Federal funds (effective).” If such rate does not appear on Reuters Page FEDFUNDS1 and is not yet published in H.15(519), H.15 Daily Update or other recognized electronic source by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, the Federal Funds Rate for such Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York selected by the Company prior to 9:00 A.M., New York City time, on such Interest Determination Date; *provided, however,* that if the brokers selected as aforesaid by the Company are not quoting as mentioned in this sentence, the Federal Funds Rate will be the Federal Funds Rate determined as of such Interest Determination Date in effect on such Interest Determination Date.

(ii) If Federal Funds Open Rate is specified above, the rate on such Interest Determination Date under the caption “Federal Funds” for the applicable Index Maturity and opposite the caption “Open” as such rate is displayed on Reuters Page 5, or if such rate does not appear on Reuters Page 5 or is not so published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, the Federal Funds Rate will be the rate displayed on the FFPREBON Index Page on the Bloomberg service, which is the Fed Funds Opening Rate as reported by Prebon Yamane (or its successor) on Bloomberg. If such rate does not appear on the FFPREBON Index page on Bloomberg or another recognized electronic source or is not so published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, the Federal Funds Rate will be the rate calculated by the Calculation Agent as the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York selected by the Company, before 9:00 A.M., New York City time on such Interest Determination Date, or if the brokers selected as aforesaid by the Company are not quoting as mentioned in this sentence, the Federal Funds Rate will be the Federal Funds Rate as in effect on such Interest Determination Date.

(iii) If Federal Funds Target Rate is specified above, the rate on such Interest Determination Date displayed on the FDTR Index Page on Bloomberg, or if such rate does not appear on the FDTR Index Page on Bloomberg or is not so published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, the Federal Funds Rate will be the rate appearing on Reuters Page USFFTARGET=. If such rate does not appear on Reuters Page USFFTARGET= or is not so published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, the Federal Funds Rate will be the rate calculated by the Calculation Agent as the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York selected by the Calculation Agent, before 9:00 A.M., New York City time, on such Interest Determination Date, or if the brokers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the Federal Funds Rate will be the Federal Funds Rate as in effect on such Interest Determination Date.

(iv) If Federal Funds Rate (FEDL01) is specified above, the rate on the applicable Interest Determination Date displayed on Bloomberg page FEDL01, or if such rate does not appear on Bloomberg page FEDL01 or is not so published by 3:00 P.M., New York City time, on the related Calculation Date pertaining to such Interest Determination Date, the Federal Funds Rate will be the Federal Funds (Effective) Rate as in effect on such Interest Determination Date.

Determination of LIBOR. If the Interest Rate Basis specified above is LIBOR, the interest rate with respect to this Note will be LIBOR plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above. "LIBOR" will be determined by the Calculation Agent in accordance with the following provisions:

With respect to any Interest Determination Date, LIBOR means: (i) the rate for deposits in the Designated LIBOR Currency (as defined below) having the Index Maturity specified above commencing on the Interest Reset Date that appears on the Designated LIBOR Page (as defined below) as of 11:00 A.M., London time, on that Interest Determination Date, or (ii) if the rate referred to in clause (i) does not appear on the Designated LIBOR Page, or is not so published by 11:00 A.M., London time, on such Interest Determination Date, the Calculation Agent shall request the principal London offices of each of four major reference banks in the London interbank market, as selected by the Company, to provide the Calculation Agent with its offered quotation for deposits in the Designated LIBOR Currency for the period of the Index Maturity specified above, commencing on such Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on such Interest Determination Date and in a principal amount that is representative for a single transaction in such Designated LIBOR Currency in that market at that time. If at least two such quotations are provided, then LIBOR on such Interest Determination Date will be the arithmetic mean of such quotations and calculated by the Calculation Agent. If fewer than two such quotations are provided, then LIBOR on such Interest Determination Date will be the arithmetic mean calculated by the Calculation Agent of the rates quoted at approximately 11:00 A.M., in the applicable Principal Financial Center (as defined on the face hereof), on such Interest Determination Date by three major banks in such Principal Financial Center selected by the Company for loans in the Designated LIBOR Currency to leading European banks, having the Index Maturity specified above commencing on such Interest Reset Date, and in a principal amount that is representative for a single transaction in such Designated LIBOR Currency in such market at such time, or (iii) if the banks so selected by the Company are not quoting as mentioned in clause (ii) above, LIBOR in effect on the applicable Interest Determination Date.

"Designated LIBOR Currency" means the currency specified above as the currency for which LIBOR will be calculated. If no such currency is specified above, the Designated LIBOR Currency will be United States dollars.

"Designated LIBOR Page" means the display on Reuters Page LIBOR01 or Reuters Page LIBOR02, as specified above, for the purpose of displaying the London interbank rates of major banks for the Designated LIBOR Currency.

Determination of EURIBOR. If the Interest Rate Basis specified above is EURIBOR, the interest rate with respect to this Note will be EURIBOR plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above. "EURIBOR" means, with respect to any Interest Determination Rate, the rate for deposits in euros as sponsored, calculated and published jointly by the European Banking Federation and ACI—The

Financial Market Association, or any company established by the joint sponsors for purposes of compiling and publishing those rates, having the Index Maturity specified above, commencing on the applicable Interest Reset Date, that appears on Reuters Page EURIBOR01 as of 11:00 A.M., Brussels time, on such Interest Determination Date; or if no such rate appears on Reuters Page EURIBOR01, or is not so published by 11:00 A.M., Brussels time, on such Interest Determination Date, the rate calculated by the Calculation Agent as the arithmetic mean of at least two quotations obtained by the Calculation Agent after requesting the principal Euro-zone (as defined below) offices of four major reference banks in the Euro-zone interbank market to provide the Calculation Agent with its offered quotation for deposits in euros for the period of the Index Maturity specified above commencing on the applicable Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 A.M., Brussels time, on such Interest Determination Date and in a principal amount not less than the equivalent of U.S. \$1 million in euros that is representative for a single transaction in euros in such market at such time; or if fewer than two quotations are so provided, the rate on such Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates quoted at approximately 11:00 A.M., Brussels time, on such Interest Determination Date by four major banks in the Euro-zone for loans in euros to leading European banks, having the Index Maturity specified above, commencing on the applicable Interest Reset Date and in principal amount not less than the equivalent of U.S. \$1 million in euros that is representative for a single transaction in euros in such market at such time; or if the banks so selected by the Company are not quoting as mentioned above, EURIBOR in effect on the applicable Interest Determination Date.

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on the European Union.

Determination of Prime Rate. If the Interest Rate Basis specified above is the Prime Rate, the interest rate with respect to this Note will be the Prime Rate plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above. “Prime Rate” means, with respect to any Interest Determination Date, the rate on such Interest Determination Date as published in H.15(519) opposite the caption “Bank prime loan.” If such rate is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, the Prime Rate for such Interest Determination Date will be the rate on such Interest Determination Date published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate under the caption “Bank prime loan.” If such rate is not published by 3:00 P.M., New York City time, in H.15(519), H.15 Daily Update or such other recognized electronic source on the related Calculation Date, the Prime Rate for such Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on Reuters Page US PRIME1 as such bank’s prime rate or base lending rate as of 11:00 A.M., New York City time, on such Interest Determination Date, or, if fewer than four such rates appear by 3:00 P.M., New York City time, on the related Calculation Date on Reuters Page US PRIME1 for such Interest Determination Date, the rate will be calculated by the Calculation Agent and will be the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on such Interest Determination Date by three major banks in The City of New York selected by the Company; *provided, however*, that if the banks so selected by the Company are not quoting as mentioned in this sentence, the Prime Rate with respect to such Interest Determination Date will be the Prime Rate in effect on such Interest Determination Date.

Determination of Treasury Rate. If the Interest Rate Basis specified above is the Treasury Rate, the interest rate with respect to this Note will be the Treasury Rate plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above. “Treasury Rate” means, with respect to any Interest Determination Date, the rate from the auction held on such Interest Determination Date (the “Auction”) of direct obligations of the United States (“Treasury Bills”) having the Index Maturity specified above as published under the caption “INVEST RATE” on Reuters Page USAUCTION10 or Reuters Page USAUCTION11 or, if not so displayed, as displayed on the Bloomberg service (or any successor service) on page AUCR 27 (or any other page as may replace that page on that service). If such rate is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, the Treasury Rate on such Interest Determination Date will be the Bond Equivalent Yield (as defined below) of the auction rate of such Treasury Bills announced by the United States Department of the Treasury. In the event that such auction rate is not so announced by the United States Department of the Treasury by 3:00 P.M., New York City time, on such Calculation Date, or if the Auction is not held, the Treasury Rate on such Interest Determination Date will be the Bond Equivalent Yield of the rate on such Interest



Determination Date of Treasury Bills having a remaining maturity closest to the Index Maturity specified above as published in H.15 (519) under the caption “U.S. government securities/Treasury bills (secondary market)”, or if such rate is not published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Interest Determination Date of such Treasury Bills having a remaining maturity closest to the Index Maturity specified above as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the rate, under the caption ““U.S. government securities/Treasury bills (secondary market)””. If such rate is not published in H.15(519), H.15 Daily Update, or other recognized electronic source by 3:00 P.M., New York City time, on such Calculation Date, the Treasury Rate will be calculated by the Calculation Agent and will be the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on such Interest Determination Date, of three primary United States government securities dealers selected by the Company, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified above; *provided, however*, that if the dealers selected as aforesaid by the Company are not quoting as mentioned in this sentence, the Treasury Rate determined as of such Interest Determination Date will be the Treasury Rate in effect on such Interest Determination Date.

“Bond Equivalent Yield” means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where “D” refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis and expressed as a decimal, “N” refers to 365 or 366, as the case may be, and “M” refers to the actual number of days in the applicable interest period.

Notwithstanding the determination of the interest rate as provided above, the interest rate on this Note for any interest period will not be greater than the Maximum Interest Rate, if any, or less than the Minimum Interest Rate, if any, specified above. The interest rate on this Note will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application. The Calculation Agent will calculate the interest rate on this Note in accordance with the foregoing on or before each Calculation Date.

The “Calculation Date,” where applicable, pertaining to an Interest Determination Date is the earlier of (i) the tenth calendar day after such Interest Determination Date or if any such day is not a Business Day, the next succeeding Business Day or (ii) the Business Day immediately preceding the applicable Interest Payment Date or Maturity, as the case may be.

The Calculation Agent will notify the Company of each determination of the interest rate applicable to this Note promptly after such determination is made by the Calculation Agent. The Calculation Agent will, upon the request of the Holder of this Note, provide the interest rate then in effect and, if determined, the interest rate that will become effective as a result of a determination for the next succeeding Interest Reset Date with respect to this Note.

If the Interest Rate Basis specified above is the CD Rate, the CMT Rate or the Commercial Paper Rate, the Interest Determination Date pertaining to an Interest Reset Date will be the second Business Day next preceding such Interest Reset Date. If the Interest Rate Basis specified above is the Eleventh District Cost of Funds Rate, the Interest Determination Date pertaining to an Interest Reset Date will be the last Business Day of the month immediately preceding such Interest Reset Date on which the Federal Home Loan Bank of San Francisco publishes the Index (as defined above). If the Interest Rate Basis specified above is the Federal Funds Rate, the Interest Determination Date pertaining to an Interest Reset Date will be the Business Day preceding the Interest Reset Date.

If the Interest Rate Basis specified above is the Prime Rate, the Interest Determination Date pertaining to an Interest Reset Date will be the first Business Day preceding such Interest Reset Date. If the Interest Rate Basis specified above is LIBOR, the Interest Determination Date pertaining to an Interest Reset Date will be the second London Banking Day (as defined on the face hereof) next preceding the Interest Reset Date, unless the Designated LIBOR Currency specified above is the British pound sterling, in which case the Interest Determination Date will be the Interest Reset Date. If the Interest Rate Basis specified above is EURIBOR, the Interest Determination Date

pertaining to an Interest Reset Date will be the second TARGET Business Day (as defined on the face hereof) preceding each Interest Reset Date. If the Interest Rate Basis specified above is the Treasury Rate, the Interest Determination Date pertaining to an Interest Reset Date will be the day of the week in which such Interest Reset Date falls on which Treasury Bills (as defined above) having the Index Maturity specified above are normally auctioned (i.e. Treasury Bills are normally sold at auction on Monday of each week, unless that Monday is a legal holiday, in which case the auction is normally held on the immediately following Tuesday, except that such auction may be held on such preceding Friday) or, if no auction is held for a particular week, the first Business Day of that week; *provided, however*, that if an auction is held on the Friday of the week preceding the Interest Reset Date, the Interest Determination Date will be the preceding Friday; and *provided, further*, that if an auction falls on any Interest Reset Date, then such Interest Reset Date will instead be the first Business Day following the auction. If the interest rate of this Note is determined with reference to two or more interest rate bases, the Interest Determination Date pertaining to this Note will be the most recent Business Day which is at least two Business Days prior to the Interest Reset Date on which each Interest Rate Basis will be determinable; each Interest Rate Basis will be determined as of such date and the applicable interest rate will take effect on the related Interest Reset Date.

Interest payments on this Note will equal the amount of interest accrued from and including the immediately preceding Interest Payment Date in respect of which interest has been paid or made available for payment or, if no interest has been paid or made available for payment, from and including the Original Issue Date specified above to, but excluding, the related Interest Payment Date or Maturity, as the case may be. Accrued interest will be calculated by multiplying the principal amount of this Note by an accrued interest factor. The accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which accrued interest is being calculated. The interest factor (expressed as a decimal) for each such day will be computed by dividing the interest rate applicable to such day by 360, if the Interest Rate Basis specified above is the CD Rate, Commercial Paper Rate, Eleventh District Cost of Funds Rate, the Federal Funds Rate, LIBOR, EURIBOR or the Prime Rate, or by the actual number of days in the year if the Interest Rate Basis specified above is the CMT Rate or the Treasury Rate. If two or more Interest Rate Bases are specified above, the interest factor will be calculated in each period in the same manner as if only one of the applicable Interest Rate Bases applied.

If an Event of Default (as defined in the Indenture) with respect to the Notes shall occur and be continuing, the principal of all the Notes Outstanding may be declared, and in certain cases shall automatically become, due and payable in the manner and with the effect provided in the Indenture.

If the Company has the option with respect to this Note to reset the Spread and/or Spread Multiplier, such option will be indicated on the face hereof, together with (i) the date or dates on which such Spread and/or Spread Multiplier may be reset (each an "Optional Reset Date") and (ii) the basis or formula, if any, for such resetting. Unless otherwise specified in an Addendum attached hereto, the Company may exercise such option by notifying the Trustee of such exercise at least 45 but not more than 60 days prior to an Optional Reset Date. Not later than 40 days prior to such Optional Reset Date, the Trustee will mail to the Holder hereof a notice (the "Reset Notice"), first class, postage prepaid, setting forth (i) the election of the Company to reset the Spread and/or Spread Multiplier, (ii) such new Spread and/or Spread Multiplier, and (iii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date or, if there is no such next Optional Reset Date, to the Stated Maturity of this Note (each such period a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during such Subsequent Interest Period.

Notwithstanding the foregoing, not later than 20 days prior to an Optional Reset Date, the Company may, at its option, revoke the Spread and/or Spread Multiplier provided for in the Reset Notice and establish a higher Spread and/or Spread Multiplier for the Subsequent Interest Period commencing on such Optional Reset Date by mailing or causing the Trustee to mail notice of such higher Spread and/or Spread Multiplier first class, postage prepaid, to the Holder hereof. Such notice shall be irrevocable. If the Spread and/or Spread Multiplier is reset on an Optional Reset Date this Note will bear such higher Spread and/or Spread Multiplier.

If the Company elects to reset the Spread and/or Spread Multiplier of this Note, the Holder hereof will have the option to elect repayment of this Note by the Company on any Optional Reset Date at a price equal to 100% of the principal amount hereof plus any accrued and unpaid interest thereon to, but excluding, such Optional Reset Date. In order for this Note to be so repaid on an Optional Reset Date, the Holder hereof must follow the procedures

set forth above for optional repayment, except that the period for delivery of this Note or notification to the Paying Agent shall be at least 25 but not more than 35 days prior to such Optional Reset Date and except that if the Holder hereof has tendered this Note for repayment pursuant to a Reset Notice, the Holder hereof may, by written notice to the Paying Agent, revoke any such tender for repayment until the close of business on the tenth day prior to such Optional Reset Date.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in aggregate principal amount of the Securities at the time Outstanding of each series to be affected (voting as separate classes). The Indenture also contains provisions permitting the Holders of a majority in aggregate principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange hereof and in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

The Indenture contains provisions where, upon the Company's direction and satisfaction of certain conditions, the Indenture shall cease to be of further effect with respect to the Notes, subject to the survival of specified provisions of the Indenture. The Indenture also contains provisions for defeasance of certain obligations of the Company under this Note and the Indenture and covenant defeasance of certain obligations of the Company under the Indenture.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional to pay the principal of, and premium, if any, and interest on, this Note at the time, place and rate, and in the coin or currency herein and in the Indenture prescribed.

As provided in the Indenture and subject to certain limitations therein and herein set forth, the transfer of this Note is registrable in the Security Register, upon surrender of this Note for registration of transfer at the office or agency of the Company in any place where the principal of, premium, if any, and interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes of the same series in authorized denominations and for the same aggregate principal amount will be issued to the designated transferee or transferees.

The Notes are issuable only in registered form without coupons and, if payable in United States dollars, only in denominations of \$2,000 and any integral multiple of \$1,000 in excess thereof unless otherwise specified on the face hereof. As provided in the Indenture and subject to certain limitations therein and herein set forth, Notes are exchangeable for a like aggregate principal amount of Notes of the same tenor and terms of a different authorized denomination, as requested by the Holder surrendering the same.

[Insert if this Note is a Global Security —This Note shall be exchangeable for Notes in certificated form of like tenor and terms and of an equal aggregate principal amount, in authorized denominations, if (x) the Depository notifies the Company that it is unwilling or unable, or no longer qualified to continue as depository or at anytime the Depository ceases to be a clearing agency registered as such under the Exchange Act, if so required by applicable law or regulation, and a successor depository is not appointed by the Company within 90 days of such notification or of the Company becoming aware of the Depository's ceasing to be so registered, as the case may be, (y) the Company executes and delivers to the Trustee a Company Order to the effect that this Note shall be so exchangeable or (z) an Event of Default has occurred and is continuing with respect to the Notes and the Depository or the Company specifically requests such exchange. Such certificated Notes shall be registered in such name or names as the Depository shall instruct the Trustee. If certificated Notes are so delivered, the Company may make such changes to the form of this Note as are necessary or appropriate to allow for the issuance of such certificated Notes.]

The Company may reopen this issue of Notes by issuing additional Securities with the same terms as these Notes. Any additional Securities so issued will be considered part of this same issue of Notes for all purposes.

This Note is not subject to, or entitled to the benefits of, any sinking fund.

No service charge shall be made for any registration of transfer or exchange relating to this Note, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith, other than exchanges pursuant to the Indenture not involving any transfer.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee, any Paying Agent, any Authentication Agent and any other agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected or subject to any liabilities by notice to the contrary.

As provided in the Indenture, no recourse for the payment of the principal of, or premium, if any, or interest on, any Note, or for any claim based thereon, and no recourse upon any obligation of the Company in the Indenture or in any Note shall be had against any stockholder, employee, officer or director, as such, past, present or future, of the Company or of any predecessor or successor corporation.

All terms used in this Note which are not defined in this Note but are defined in the Indenture shall have the meanings assigned to them in the Indenture.

This Note shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws of such State other than New York General Obligations Law Section 5-1401.

ASSIGNMENT/TRANSFER FORM

FOR VALUE RECEIVED the undersigned registered Holder hereby sell(s), assign(s) and transfer(s) unto (insert Taxpayer Identification No.)

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(Please print or typewrite name and address including postal zip code of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing \_\_\_\_\_ attorney to transfer said Note on the books of the Company with full power of substitution in the premises.

Date \_\_\_\_\_

NOTICE: The signature of the registered Holder to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatsoever.

OPTION TO ELECT REPAYMENT

The undersigned hereby irrevocably request(s) and instruct(s) the Company to repay this Note (or portion hereof specified below) pursuant to its terms at a price equal to 100% of the principal amount hereof together with accrued and unpaid interest thereon to, but excluding, the repayment date, to the undersigned, at

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(Please print or typewrite name and address of the undersigned)

For this Note to be repaid, the Paying Agent must receive at its corporate trust office in The City of New York, or at such other place or places of which the Company shall from time to time notify the Holder of this Note, not more than 60 nor less than 30 days prior to an Optional Repayment Date, if any, shown on the face of this Note, this Note with this "Option to Elect Repayment" form duly completed. This Note must be received by the Paying Agent by 5:00 P.M., New York City time, on the last day for the giving of such notice.

If less than the entire principal amount of this Note is to be repaid, specify the portion hereof (which shall be in increments of \$1,000 unless otherwise specified on the face of this Note, provided that any remaining principal amount shall be an authorized denomination) which the Holder elects to have repaid and specify the denomination or denominations (which shall be in an amount equal to an authorized denomination) of the Notes to be issued to the Holder for the portion of this Note not being repaid (in the absence of any such specification, one such Note will be issued for the portion not being repaid).

\$ \_\_\_\_\_

Date \_\_\_\_\_

NOTICE: The signature on this Option to Elect Repayment must correspond with the name as written upon the face of this Note in every particular, without alteration or enlargement or any change whatever.