STANDARD CHARTERED PLC

PARTICULARS OF AN ISSUE OF
U.S. $400,000,000 UNATED PRIMARY CAPITAL FLOATING RATE NOTES (SERIES 2) (THE "NOTES")

Issue Price of the Notes: 100.10 per cent.

This document includes particulars given in compliance with the Regulations of the Council of The Stock Exchange of the United Kingdom and the Republic of Ireland ("The Stock Exchange") for the purpose of giving information with regard to Standard responsibilities or distribution of this document. To the best of the knowledge and belief of the Company (which has taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Company accepts responsibility accordingly.

A copy of this document, which comprises the listing particulars required by The Stock Exchange (Listing) Regulations 1994, has been delivered to the Registrar of Companies in England and Wales in accordance with such Regulations.

Application has been made to the Council of The Stock Exchange for the Notes to be admitted to the Official List.


Mitsubishi Finance International Österreichische Länderbank Aktiengesellschaft Sumitomo Trust International Limited Takasago International Bank (Europe) B.A. Union Bank of Switzerland (Securities) Limited Yorros Trust Europe Limited

ST 88

STANDARD CHARTERED PLC

(Committed with Limited Liability in England)

Credit Suisse First Boston Limited
Salomon Brothers International Limited
Bank of America International Limited
Banque Nationale de Paris Credit Commercial de France
Dresdner Bank Aktiengesellschaft
LTCB International Limited
Mitsui Finance International Limited
Samuel Montagu & Co. Limited
Nomura International Limited
Paribas Limited
Sumitomo Finance International Limited
Tokai International Limited
Wood Gundy Inc.
Banque Bruxelles Lambert S.A.
Chemical Bank International Limited
Credit Lyonnais
Crédit Suisse
Manufacturers Hanover Limited
Mitsubishi Trust & Banking Corporation (Europ S.A.)
Banque Nationale S.A.
Taikyo Kobe Bank (Luxembourg) S.A.
Toyo Trust International Limited
Westdeutsche Landesbank Girozentrale

The above-mentioned Managers ("the Managers") have, pursuant to a Subscription Agreement dated 14th November, 1985, jointly and severally agreed with the Company, subject to the satisfaction of certain conditions, to procure the subscription of the Notes at 100.10 per cent. of their principal amount for a selling commission of 0.05 per cent. of such principal amount (plus United Kingdom Value Added Tax ("VAT") where applicable). The Company has agreed to pay to the Managers a management and underwriting commission of 0.16 per cent. of the principal amount of the Notes in connection with the Notes. The Managers may sub-sell the Subscription Agreement in certain circumstances prior to payment being made to the Company.

The Managers, on behalf of the Company, have invited certain banks, brokers and dealers (the "Selling Group") to subscribe Notes at a price of 100.10 per cent. of their principal amount for such selling commission (plus VAT where applicable).

No action has been or will be taken by the Company or by the Managers that would permit a public offering of the Notes or the circulation or distribution of this Card or any offering material relating to the Company or the Notes in any country or jurisdiction where action for that purpose is required.

The Notes have been, and will not be, registered under the United States Securities Act of 1933 (the "Securities Act") and may not be offered or sold, directly or indirectly, in the United States or to U.S. persons (except to a member of the Selling Group in its capacity as dealer to or branches of United States banks located outside the United States on the terms set forth in the United States or to U.S. persons) unless in compliance with the law of the United States or any state thereof. Offers or sales of Notes registration under the Securities Act or pursuant to an exemption therefrom. As used herein, "United States" means any person who is a national or resident of the United States (including any corporation, partnership or other entity created or organized under the laws of the United States or any political subdivision thereof including foreign branches of United States banks) and any estate or trust which is subject to United States federal income tax regardless of the source of its income.

Neither the Company nor any of the Managers make any representation in respect of, or has assumed any responsibility for, the availability of any exemption that may be applicable to them, and they do not make any representations as to whether, at any time, the Notes may lawfully be sold in the United States or to U.S. persons.

Each Manager and each member of the Selling Group have agreed or will agree that it is not acquiring any Notes for the account of any U.S. person and that it will not offer or sell any Notes acquired by it in connection with the distribution thereof, directly or indirectly, in the United States or to U.S. persons (except as stated above) as part of the distribution of the Notes and that it will, as principal or agent, directly or indirectly, make any offers or sales of Notes otherwise acquired in the United States or to U.S. persons prior to the expiration of 90 days after completion of the distribution of the Notes, as determined by Goldman
Each Manager and each nominee of the Selling Group has further agreed that it will shall to each dealer that purchases from it any Notes registered in its name in connection with the distribution, in each case in written confirmation setting forth the restrictions on offers or sales of the Notes in the United States or to U.S. persons.

References should be made to the Selling Group Agreements for the complete description of the restrictions on offers and sales of Notes and distribution of the Notes.

In connection with the offering of the Notes, Goldman Sachs International Corp., on behalf of the Managers, may, in accordance with applicable law, offer or effect transactions for itself or for others that may stabilize the market price of the Notes at levels other than those which might otherwise prevail in the open market. Such transactions may be effected on any over-the-counter market or otherwise and, if commenced, may be discontinued at any time.

DESCRIPTION OF THE NOTES

The Notes, which expression, where the context so permits or requires, shall include the temporary Global Note referred to under "Form and Denomination" below, will be constituted by a Supplemental Trustee ("the Supplemental Trustee") to be entered into between the Company and The Law Debenture Trust Corporation p.l.c. (the "Trustee") as trustee for the holders of the Notes (the "Noteholders") and the Company, and shall be dated 6th December, 1985 (such date being the first date of issue of the Payment Period Interest (the "Payment Date") of the Notes) (the "Note Date"). The Trustee and the Supplemental Trustee shall be pari passu in the event of any liquidation. The Notes will have the benefit of the same Agency Agreements and the same Agency Charges as are the Notes. In the event of any change in either such agreements or charges, the Notes will be subject to the same change.

Each Note will be represented by one or more Global Notes and/or Coupions. Each Global Note shall be a book-entry security and no physical delivery of such Global Notes will be made. All Notes shall be registered in the names of holders of Coupions of record as of the Note Date.

The Notes will be registered in the name of the depositary of the Notes and any Coupion registered in bearer form shall not be transferable and the same will be treated as a non-registered security and all Coupions shall be subject to the same terms and conditions as are applicable to the Notes of the same series.

The Notes and the Coupions will constitute unconditional obligations of the Company and will rank pari passu without any preferential rights among themselves.

Status and Subordination

(a) Status

The Notes and the Coupions will constitute unconditional obligations of the Company and will rank pari passu without any preferential rights among themselves.

(b) Condition of Payment

Interest on the Notes will be payable on each Interest date and will be paid in cash, in the currency of denomination of the Notes.

Changes in the condition of payment of the Notes may be made from time to time by the Company in its discretion and at its sole discretion.

(c) Payment of Interest

The Company will be required to pay interest on the Notes in accordance with the terms thereof and the relevant Trustee or Agent will be required to pay such interest to the holders of the Notes.

Interest will be payable on each Interest date and will be paid to the holders of the Notes in accordance with the terms thereof and the relevant Trustee or Agent will be required to pay such interest to the holders of the Notes.

(d) Winding up

If any order is made or an effective resolution is passed for the winding up of the Company in England, the Company will be dissolved and the following provisions shall apply:

(i) Subject to the provisions of the Companies Act, the Company shall, on the winding up of the Company, pay the amounts due and owing to the Company and the holders of the Notes and the Coupions.

(ii) Any surplus assets shall be distributed among the creditors and contributories of the Company in the order of priority

(iii) Any amount due and owing to the Company shall be paid in accordance with the terms of the Notes and the Coupions and the Trustee or Agent shall be required to pay such amount to the holders of the Notes and the Coupions.

N.B. The obligations of the Company in respect of the Notes and the Coupions are conditional upon the Company being able to make payment in respect of the Notes and the Coupions and any amounts thereunder and any amounts which might otherwise be allocated towards payment of principal of and interest on the Notes are available to meet losses.

Form and Denomination

The Notes will be represented by a temporary Global Note without interest coupons, which will be deposited on behalf of the accountants of the holders of the Notes with a common depositary on behalf of Morgan Guaranty Trust Company of New York, as agent for the Euro-clear System ("Euroclear") and CEDE & Co. on or about 4th December, 1985.

The temporary Global Note will be exchangeable for definitive Notes in bearer form, seriely numbered and in denominations of U.S. $1,000 and U.S. $250,000 each with Coupons and one or more further Coupons attached to each global Note following the expiration of a period of 90 days after completion of the distribution of the Notes, as determined by Goldman Sachs International Corp, and upon presentation of a certificate in the form set out in the Trust Deed that the beneficial owner is not a U.S. person as defined above.
interest

(a) Period of Accrual of Interest and Coupons

The Notes will bear interest from the date of Issue thereof (the “Issue Date”), which is expected to be 4th December, 1988. Subsequently, at even days (subject to the terms of the Trust Deed) be paid into the Bank of New York Trust Company, as the Trustees. The rate of interest payable on such Notes shall be calculated by the agent bank referred to in paragraph (f) below in respect of each Interest Period for each such Note in such manner as it shall deem fair and reasonable in all the circumstances and such determination or calculation shall be deemed to have been made by the Agent Bank.

(b) Interest Payment Dates and Interest Periods

Interest on the Notes will, subject as provided in section 99, be as payable on each (an “Interest Payment Date”) which shall be determined in such manner as the Trustees or their Representative may determine. In the event the Interest Payment Date shall be the last business day of the calendar year in which the preceding Interest Payment Date shall have fallen. The period between any Interest Payment Date and the next Interest Payment Date is referred to as the “Interest Period”. As used herein, “business day” means a day on which banks and foreign exchange markets are open for business in both London and New York City.

(c) Rates of Interest

The rate of interest from time to time payable in respect of the Notes (the “Rate of Interest”) shall be established as provided in paragraph (d) below on the basis of the following provisions:

(i) Subject to sub-paragraphs (ii) to (vi) below, the Rate of Interest shall be calculated by the agent bank referred to in paragraph (f) below in respect of each Interest Period for each such Note in such manner as it shall deem fair and reasonable in all the circumstances and such determination or calculation shall be deemed to have been made by the Agent Bank.

(ii) The “Reserve Interest Rate” shall be 0.375% per annum above the rate per annum which the Agent Bank determines to be either (a) the arithmetic mean (rounded upwards or downwards) of the arithmetic mean (rounded upwards or downwards) of the London Inter-Bank Offer Rate for deposits in dollars at three months from the date of the notice of the Reference Date communicated by the bank or (b) the London Inter-Bank Offer Rate for deposits in dollars at three months from the date of the notice of the Reference Date communicated by the bank.

(iii) The Reserve Interest Rate shall be (a) the arithmetic mean (rounded upwards or downwards) of the arithmetic mean (rounded upwards or downwards) of the London Inter-Bank Offer Rate for deposits in dollars at three months from the date of the notice of the Reference Date communicated by the bank or (b) the London Inter-Bank Offer Rate for deposits in dollars at three months from the date of the notice of the Reference Date communicated by the bank.

(iv) There shall be no minimum Rate of Interest.

(d) Determination of Rate of Interest and Coupon Amounts

The Agent Bank will, as soon as practicable after 11.00 a.m. (London time) on each Interest Determination Date and on the basis of any applicable communications and certificates received from the Reference Banks as mentioned in paragraph (c) above, calculate the Rate of Interest and the Coupon Amount applicable to each Note. The Rate of Interest and the Coupon Amount shall be calculated in such manner as it shall deem fair and reasonable in all the circumstances and such determination or calculation shall be deemed to have been made by the Agent Bank.

(e) Publication of Rate of Interest and Coupon Amounts

The Agent Bank will cause the Rate of Interest and the Coupon Amounts for each Interest Period and the relevant Interest Payment Date determined by the Agent Bank to be published in accordance with “Notices” to be published by the Agent Bank.

(f) Determination or Calculation by Trustee

If the Agent Bank does not at any time for any reason determine the Rate of Interest or any Coupon Amount in accordance with paragraph (d) above, the Trustee shall be entitled to determine the Rate of Interest or any Coupon Amount in accordance with paragraph (g) above in such manner as it shall deem fair and reasonable in all the circumstances and such determination shall be deemed to have been made by the Agent Bank.

(g) Notifications to be filed

All calculations, opinions, determinations, certificates, calculations, quotations or decisions given, expressed, made or obtained for the purpose of the provisions described under this heading “Interest”, whether by the Reference Banks or (any or both of them), the Agent Bank or the Trustee, shall (in the absence of willful default, bad faith or material error) be binding on the Company, the Trustee, the Bank, the Paying Agent, the Earning Agents and all Noteholders and/or Coupons and the Trustee shall in all such cases, as if it were a decision of the Trustee, so far as the interests of the Noteholders are concerned, be binding on all Noteholders and/or Coupons and the Trustee and any of their respective nominees, successors, assigns and representatives and the Trustees and/or the Paying Agent and/or the Trustee and/or the Company and/or the Noteholders and/or the Coupons shall be bound by such decisions and determinations by delivery of a certificate thereunto signed by the Agent Bank, the Trustee and/or the Paying Agent and/or the Company and/or the Noteholders and/or the Coupons and shall not be deemed to be unenforceable or void because they are not embodied in writing or because they are not evidence of such decisions and determinations.

(h) Reference Banks and Agent Bank

This Company shall procure that so long as any of the Notes is outstanding there shall at all times be four Reference Banks and an Agent Bank. The initial Reference Banks shall be the principal London offices of each of The Chase Manhattan Bank, N.A., Chemical Bank, N.A., and Swiss Bank Corporation (the “Reference Banks”) and the initial Agent Bank shall be Standard Chartered Bank. The Company may terminate the appointment of any of the Reference Banks or (with the prior approval of the Trustee of the Notes) the Agent Bank. The Agent Bank may, in addition assign its duties as such provided that such assignment shall not affect the liability of the Agent Bank or the Company under the Notes as aforesaid.

This Company shall procure that so long as any of the Notes is outstanding there shall at all times be four Reference Banks and an Agent Bank. The initial Reference Banks shall be the principal London offices of each of The Chase Manhattan Bank, N.A., Chemical Bank, N.A., and Swiss Bank Corporation (the “Reference Banks”) and the initial Agent Bank shall be Standard Chartered Bank. The Company may terminate the appointment of any of the Reference Banks or (with the prior approval of the Trustee of the Notes) the Agent Bank. The Agent Bank may, in addition assign its duties as such provided that such assignment shall not affect the liability of the Agent Bank or the Company under the Notes as aforesaid.
Repayment

The Notes shall be uncancelable and shall only be repayable as provided under this heading and in "Status and Subordination" above.

(a) Repayment for Taxation Reasons

If the Trustee is satisfied immediately prior to the giving of notice to Noteholders hereafter referred to, (I) on the occasion of the next payment due in respect of the Notes or Coupons, the Company would be required to pay additional amounts in accordance with "Taxation" below, or (II) payments of interest on the Notes would be treated as distributions within the meaning of the Taxes Acts for the time being of the United Kingdom, the Company may (subject as referred to in "Status and Subordination" above), on any Interest Payment Date falling on or after December 1980, repay all, from time to time, some or an aggregate principal amount of U.S. $1,000,000 or a whole multiple thereof of the Notes at 100 per cent. of their principal amount together with all Accruals of Interest (if any).

(b) Optional Repayment

On giving not more than 45 nor less than 30 days' notice to the Trustee (and, in the case of a repayment of all the Notes then outstanding, to the Noteholders), the Company may (subject as referred to in "Status and Subordination" above), on any Interest Payment Date falling on or after December 1980, repay any, from time to time, some or an aggregate principal amount of U.S. $1,000,000 or a whole multiple thereof of the Notes at 100 per cent. of their principal amount together with all Accruals of Interest (if any).

(c) Drawings

In the case of any partial repayment under the terms of paragraph (b) above, Notes so called for repayment will be drawn in London or such other place as the Trustee may approve, in a manner approved by the Trustee, not more than 45 days before the Interest Payment Date fixed for such repayment and notice of the serial numbers of the Notes so drawn will be given to the Noteholders not less than 30 days before the relevant Interest Payment Date together with notice of the date fixed for repayment.

(d) Purchases

The Company or any of its subsidiaries may at any time purchase Notes on The Stock Exchange in London or by tender (available to all Noteholders alike) or by private treaty, in the case of purchases on The Stock Exchange in London or by tender, the price, exclusive of expenses and accrued interest, will not exceed the average of the middle market quotations of the Notes taken from The Stock Exchange Daily Official List for the 10 business days before the purchase is made, or, in the case of a purchase on The Stock Exchange in London, the market price provided that it is not more than 5 per cent. above such average, in the case of purchases by private treaty, the price, exclusive of expenses and accrued interest, will not exceed 110 per cent. of the middle market quotation of the Notes on The Stock Exchange in London or, failing such quotation, by reference to such other quotation (as may be agreed between the Company and the Trustee) at the close of business on the last dealing day preceding the date of purchase. In each case purchases will be made together with all unmatured Coupons and the cahors relating thereto.

(e) Cancellation

All Notes repaid or purchased as aforesaid will be cancelled forthwith, together with all unmatured Coupons and talons attached thereto or surrendered therewith, and may not be re-issued or re-sold.

References under this heading "Repayment" to the purchase of Notes shall not include the purchase of Notes in the ordinary course of business as a dealer in securities (as defined in the Trust Deed) or the purchase of Notes otherwise than as beneficial owner.

Default and Enforcement

(a) Default

If the Company shall default in making any payment of principal or interest for a period of 15 days or more after the date on which it is obliged to make such payment, or, were it so obliged but for the provisions of paragraph (b) of "Status and Subordination" above, the Trustee may institute proceedings in England (but not elsewhere) for the winding up of the Company.

(b) Enforcement by the Trustee

The Trustee shall not be bound to institute the proceedings referred to in paragraph (a) above unless (I) it shall have been so requested by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders or (II) willing by the holders of at least 25 per cent. in principal amount of the Notes (the Trustee notwithstanding and (II) it shall have been indemnified to its satisfaction.

(c) Enforcement by Noteholders or Couponholders

No Noteholder or Couponholder shall be entitled to proceed directly against the Company unless the Trustee, having become bound so to proceed, fails to do so in which case the Noteholder or Couponholder shall have only such rights against the Company as those which the Trustee is entitled to exercise. No Noteholder or Couponholder shall be entitled to institute proceedings for the winding up of the Company or to prove in such winding up except so far as the Trustee, having become bound to proceed against the Company as aforesaid, fails to do so, or, being able to prove in such winding up, fails to do so, then any such holder may, on giving an indemnity satisfactory to the Trustee, in the name of the Trustee (not otherwise), himself institute proceedings for the winding up in England (but not elsewhere) of the Company and/or prove in such winding up to the same extent (but not further or otherwise) that the Trustee would have been entitled so to do in respect of his Notes and Coupons.

(d) Remedy available

No remedy against the Company other than the institution of proceedings for the winding up of the Company in England, shall be available to the Trustee or the Noteholders or Couponholders whether for the recovery of amounts owing in respect of the Notes or the Coupons or under the Trust Deed or in respect of any breach by the Company of any of its obligations under the Trust Deed or the Notes or the Coupons (other than for recovery of the Trustee's remuneration or expenses).

Payments

Payments of principal and interest in respect of Notes and Coupons will, subject to "Status and Subordination" above, be made against surrender of such Notes or Coupons (as the case may be), at the specified office of any Paying Agent by dollar check drawn on, or at the option of the holder, transfer to a dollar account maintained by the payee with, a bank in New York City, subject as provided below and subject in all cases to any fiscal or other laws and regulations applicable thereto in the country of the Paying Agent concerned (but without prejudice to the provisions described under "Taxation" below). Without prejudice to the generality of the foregoing, the Company reserves the right to require a Noteholder or a Couponholder to provide a Paying Agent with such certification or information as may be required to enable the Company to comply with the requirements of the United States federal income tax laws.

Continued on Card 2
ST 89

STANDARD CHARTERED PLC

(incorporated with limited liability in England)

If the Company becomes subject to certain information reporting requirements under such laws, it may be required to obtain the name, address and United States taxpayer identification number, if any, from each Noteholder or Couponholder with respect to any such payment. If any Internal Revenue Service regulations yet to be published under recent legislation reflect existing regulations not applicable to the Notes, they will exempt certain Noteholders and Couponholders that are corporations, including certain banks and other financial institutions, from such requirements provided that they provide evidence of their corporate status.

The Company reserves the right at any time to vary or terminate the appointment of any Paying Agent subject, in the case of the Principal Paying Agent, to the prior approval of the Trustee and to appoint additional or other Paying Agents, provided that it will at all times maintain a Paying Agent in London and is in a city in Western Europe outside the United Kingdom. The Company will, if so required by the Trustee, appoint a Paying Agent having a specified office in New York City if (i) the Company shall have appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the full amount of interest on the Notes (to persons as entitled under applicable local law) in dollars when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or impracticable by exchange control or other similar restrictions, (iii) the Company does not within a reasonable period (as determined by the Trustee) appoint a Paying Agent in a jurisdiction where such payment is not illegal or impracticable, and (iv) such payments then permitted by United States law, if so required by the Trustee, will be made by or on behalf of one or more agents who do not have any such termination and of any changes in the specified offices of the Paying Agents will be published in accordance with "Notices." below.

Taxation
All payments of principal and interest will be made without withholding or deduction for or on account of any present or future taxes of whatsoever nature imposed or levied by or on behalf of the United Kingdom, or any authority in the United Kingdom having power to tax, unless withholding or deduction of such taxes or duties is required by law. In that event, the Company will pay such additional amounts as may be necessary in order that the net amounts receivable by the holders after such withholding or deduction will be equal to the respective amounts of principal and interest which would have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction, except that no such additional amount shall be payable with respect to any Note or Coupon presented for payment—

(a) by a resident of the United Kingdom;
(b) in the United Kingdom;
(c) more than 90 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amount on the date for payment on or before the thirty-ninth day.

As used herein the "Relevant Date" means whichever is the later of (a) the date on which such payment first becomes due or, if the full amount of the money payable has not been received by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which the full amount of such monies has been so received, notice to that effect shall have been duly published. Any reference herein to principal or interest in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under the undertakings referred to in this paragraph or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed,

"Subject to the conditions specified in Section 28 of the Finance Act 1984, payments in respect of the Notes may be made in the United Kingdom without withholding or deduction for or on account of United Kingdom taxation—see "United Kingdom Taxation" below.

Prescription
Notes and Coupons will become void unless presented for payment within a period of 12 years in the case of Notes and six years in the case of Coupons from the Relevant Date (as defined under "Taxation" above) relating thereto. The prescription period in respect of coupons shall be—

(a) at any coupon not presented for exchange prior to the due date for repayment of the Note to which it pertains and whose original due date for exchange falls not more than 12 years prior to such due date for repayment, six years from the Relevant Date of such Note, but such that the Coupon sheet for within it is exchangeable shall be issued without any Coupon itself prescribed as described under this heading or voided described under paragraph (a) of "Interest" above and without a tax; and
(b) as to any other coupon, 12 years from the Relevant Date of the last Coupon of the Coupon sheet of which it formed part.

Indemnification of Trustee
The Trust Deed will contain provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee will be entitled into enter into business transactions with the Company and any of its subsidiaries without accounting for any profit resulting therefrom.

Meetings of Noteholders, Modification, Waiver and Substitution of Principal Debtor
The Trust Deed will contain provisions for convening meetings of Noteholders to consider any matter affecting their interests, including any modification of the Notes and the provisions of the Trust Deed, provided that certain provisions (including, inter alia, as to status, subordination, the currency of payment, due dates for payment and amounts of principal) may only be modified at a meeting of Noteholders for which special quorum provisions will apply. Any resolution duly passed at a meeting of Noteholders shall be binding on all the Noteholders whether present or not and on all Couponholders. The Trust Deed will contain provisions for an Extraordinary Resolution to take the form of an instrument or Instruments in writing signed by the holders or holders of not less than three-fourths of the Notes for the time being outstanding. The Trustee may also (without the consent of the Noteholders or the Couponholders):—

(i) agree to any modification of the Trust Deed which is at a formal, minor or technical nature or is made to correct a manifest error or, except as provided, is not considered by it to be materially prejudicial to the interests of the Noteholders or the Couponholders;
(ii) waive or authorize any breach or proposed breach by the Company of the conditions of the Notes or the provisions of the Trust Deed, in so far as considered by the Trustee not to be materially prejudicial to the interests of the Noteholders or the Couponholders;
(iii) agree to the substitution of the successor in business (as defined in the Trust Deed) of the Company or a subsidiary of the Company in place of the Company as principal debtor under the Trust Deed and the Notes, subject to such conditions as the Trustee may require and (in the case of the substitution of a subsidiary of the Company to the unencumbered and a holdable guarantee of the Company or of such successor in business, provided that the obligations of such substitute and such guarantee may be subordinated on a basis considered by the Trustee to be equitable in respect of the Company's obligations in respect of the Notes.
If any Note, Coupon or Talon is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of the Principal Paying Agent for such other place of which notice shall be given on payment of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity so the Company may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

Replacement of Notes, Coupons and Talons

If any Note, Coupon or Talon is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of the Principal Paying Agent for such other place of which notice shall be given on payment of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity so the Company may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

Title

To the Notes, Coupons and Talons will pass by delivery.

To the extent permitted by applicable law, the Company, the Trustee and the Paying Agent may transfer the holder of any Note, Coupon or Talon as the absolute owner thereof (whether or not such Note or Coupon is to be prepaid and notwithstanding any notice of ownership or writing thereon or on any Talon or any notice of previous loss or theft or of trust or other interest therein or in any Talon) for the purpose of making payment and for all other purposes.

Further Issues

The Company shall be at liberty from time to time without the consent of the Noteholders to create and issue further bonds or notes (either in the case of notes or, in either case, upon such terms as to interest, conversion, premium, repayment and otherwise as the Company may at the time of issue determine). Any such further bonds or notes may (with the consent of the Trustee) be constituted by a deed supplemental to the Trust Deed (and shall, in the case of notes to form a single issue with the Notes, only be so constituted). The Trust Deed will contain provisions for converting a single meeting of the Noteholders and the holders of Bonds and notes of other classes in certain circumstances where the Trustee so decides.

Notice

Notices regarding the Notes will be deemed duly given if published in English in the Financial Times in London or another leading London daily newspaper, or in the official publication of the Trustee, or the leading English language daily newspaper with greatest circulation in Europe. If published more than once, such notice will be deemed duly given on the occasion of the first publication.

Governing Law

The Supplemental Deed, the Notes, the Coupons and the Talons will be expressed to be and the Principal Deeds, governed by, and each of them shall be construed in accordance with English law.

USE OF PROCEEDS

The net proceeds of the issue of the Notes, estimated to amount to approximately U.S.$333,800,000, will be partly used for the early repayment, in due course, of existing subordinated indebtedness of the Company or its subsidiaries and partly lent to the Company's principal subsidiary, Standard Chartered Bank, on similar terms as to status and subordination, default and enforcement as the Notes, for use in its international business.

THE COMPANY AND THE GROUP

Capitalisation of the Company and its Subsidiaries

The consolidated capitalisation of the Company and its subsidiaries as at close of business on 7th November, 1985, as adjusted for the Notes now being issued, is as follows:--

<table>
<thead>
<tr>
<th>SHARE CAPITAL AND RESERVES</th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued and fully paid</td>
<td>155.5</td>
</tr>
<tr>
<td>Reserves</td>
<td>1,168.8</td>
</tr>
<tr>
<td>Total</td>
<td>1,324.3</td>
</tr>
</tbody>
</table>

LOAN CAPITAL

The Company

| Bond 12½% 6% Capital Bonds due 1988 | 33.6 |
| £100m 12½% Subordinated Unsecured Loan Stock 2002/2007 | 100.0 |
| U.S.$400m Undated Primary Capital Floating Rate Notes | 282.0 |
| £200m Undated Primary Capital Floating Rate Notes (initial tranche) | 160.0 |
| U.S.$300m Undated Primary Capital Floating Rate Notes (Series 2) | 211.8 |
| The Notes now being issued | 282.0 |

Standard Chartered Finance S.V.

| U.S.$74.8m Guaranteed Floating Rate Notes 1990 | 52.7 |
| U.S.$150m Guaranteed Floating Rate Notes 1991 | 70.5 |
| U.S.$200m Guaranteed Floating Rate Notes 1994 | 141.0 |
| U.S.$350m 11½% Guaranteed Bonds 1984 (note (b)) | 3.0 |
| U.S.$12% Guaranteed Bonds due 1995 (see Note (b)) | 7.7 |
| £11½% Guaranteed Bonds due 1986 (see Note (b)) | 1.0 |

Union Bank

| U.S.$25m 4% Subordinated Capital Notes 1988 | 17.8 |
| U.S.$30m 7½% Subordinated Capital Notes 2001 | 21.1 |

Union BanCorp

| U.S.$100m Floating Rate Subordinated Notes 1996 | 70.5 |

Chartered Financial Services Singapore Limited

| Singapore $250m 10½% Guaranteed Bonds 1987 | 16.7 |

Total

| 1,461.5 |

Total Capitalisation

| 2,793.3 |
Notes:

(a) Share Capital and Reserves are shown as at 31st December, 1984. Currency movements, particularly those of the U.S. dollar and the South African rand, resulted in unrealised translation losses of £128 million for the six months to 30th June, 1985 which were charge to reserves. After crediting to reserves retained profits for the six months to 30th June, 1985 the total of Share Capital and Reserves (restated) as at 30th June, 1985 was £2,515 million. Share Capital and Reserves as at 31st December, 1985 will be dependent on inter alia, exchange rates, in particular, those of the U.S. dollar and the South African rand.

(b) These issues represent funds issued on the exercise of warrants. In respect of the Guaranteed Bonds due 1996, the warrants entitle the holders, at their option, to subscribe up to U.S. $180 million of up to £144 million.

(c) Between 1st January and 6th November, 1985 a total of 85,789 shares of £1 each have been issued under the staff profit sharing scheme at a price of £4.55 per share. There has been no material change to the authorised or issued share capital of the Company since 31st December, 1984.

(d) The loan capital of this Company, Union Bank and Union Bankcorp is subordinated: that of Standard Chartered Finance B.V. is guaranteed by the Company on a subordinated basis and that of Chartered Financial Services Singapore Limited is guaranteed on a like basis by Standard Chartered Bank, a wholly owned subsidiary of the Company.

(e) Loan Capital denominated in foreign currencies has been translated into sterling at exchange rates prevailing at the close of business on 7th November, 1985, namely:

<table>
<thead>
<tr>
<th>Currency</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. $</td>
<td>1.4185</td>
</tr>
<tr>
<td>DM</td>
<td>3.725</td>
</tr>
<tr>
<td>S$</td>
<td>3.0025</td>
</tr>
</tbody>
</table>

(f) There has been no material change in the loan capital of any member of the Group since close of business on 7th November, 1985.

Extract from the Interim Results

The unaudited financial statements of the Group in respect of the six months ended 30th June, 1985 are as follows:

<table>
<thead>
<tr>
<th>Group results</th>
<th>Six months ended 30th June 1985</th>
<th>Six months ended 30th June 1984 (restated)*</th>
<th>Twelve months ended 31st December 1984 (restated)*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£m</td>
<td>£m</td>
<td>£m</td>
</tr>
<tr>
<td>Operating profit</td>
<td>142.4</td>
<td>86.0</td>
<td>230.6</td>
</tr>
<tr>
<td>Share of profits of:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stanbic Associated companies</td>
<td>10.6</td>
<td>25.6</td>
<td>94.3</td>
</tr>
<tr>
<td></td>
<td>17.5</td>
<td>12.2</td>
<td>27.6</td>
</tr>
<tr>
<td>Interest on subordinated loan capital</td>
<td>178.7</td>
<td>123.8</td>
<td>312.9</td>
</tr>
<tr>
<td>Profit before taxation</td>
<td>133.8</td>
<td>94.2</td>
<td>239.6</td>
</tr>
<tr>
<td>Taxation</td>
<td>88.4</td>
<td>48.4</td>
<td>130.8</td>
</tr>
<tr>
<td>Profit after taxation</td>
<td>65.4</td>
<td>45.8</td>
<td>108.8</td>
</tr>
<tr>
<td>Minority Interests</td>
<td>5.2</td>
<td>2.7</td>
<td>8.7</td>
</tr>
<tr>
<td>Profit before extraordinary items</td>
<td>60.2</td>
<td>43.7</td>
<td>100.1</td>
</tr>
<tr>
<td>Extraordinary items</td>
<td>-</td>
<td>(13.6)</td>
<td>(50.7)</td>
</tr>
<tr>
<td>Profit attributable</td>
<td>60.2</td>
<td>30.1</td>
<td>73.4</td>
</tr>
<tr>
<td>Dividends</td>
<td>16.3</td>
<td>14.6</td>
<td>44.3</td>
</tr>
<tr>
<td>Profit retained</td>
<td>43.9</td>
<td>15.5</td>
<td>28.1</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>38.7p</td>
<td>28.1p</td>
<td>64.4p</td>
</tr>
<tr>
<td>Dividends per share</td>
<td>10.5p</td>
<td>9.5p</td>
<td>28.5p</td>
</tr>
<tr>
<td>(Interim)</td>
<td>(Final)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Summarised Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>30th June 1985</th>
<th>31st December 1984 (restated)*</th>
<th>30th June 1984 (restated)*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£m</td>
<td>£m</td>
<td>£m</td>
</tr>
<tr>
<td>Assets employed:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and short term funds</td>
<td>4,457.0</td>
<td>4,108.2</td>
<td>4,752.3</td>
</tr>
<tr>
<td>Investments</td>
<td>1,368.7</td>
<td>1,102.0</td>
<td>1,005.5</td>
</tr>
<tr>
<td>Advances and other accounts</td>
<td>20,006.6</td>
<td>22,172.3</td>
<td>19,205.2</td>
</tr>
<tr>
<td>Investment in Stanbic</td>
<td>25,852.3</td>
<td>27,392.5</td>
<td>28,934.0</td>
</tr>
<tr>
<td>Associated companies and trade investments</td>
<td>150.7</td>
<td>198.8</td>
<td>199.9</td>
</tr>
<tr>
<td>Premises and equipment</td>
<td>128.8</td>
<td>139.8</td>
<td>124.5</td>
</tr>
<tr>
<td>Total</td>
<td>28,714.1</td>
<td>26,400.7</td>
<td>26,028.3</td>
</tr>
<tr>
<td>Financed by:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders' funds</td>
<td>1,243.1</td>
<td>1,321.6</td>
<td>1,304.9</td>
</tr>
<tr>
<td>Minority interests</td>
<td>64.3</td>
<td>69.8</td>
<td>49.1</td>
</tr>
<tr>
<td>Equity capital employed</td>
<td>1,275.4</td>
<td>1,381.7</td>
<td>1,354.0</td>
</tr>
<tr>
<td>Undated primary capital notes</td>
<td>150.0</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Undated subordinated loan capital</td>
<td>231.7</td>
<td>268.6</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>1,679.1</td>
<td>1,640.3</td>
<td>1,654.0</td>
</tr>
</tbody>
</table>

Restated subordinated loan capital | 228.9 | 265.8 | 235.1 |
**Investment in Standard Bank Investment Corporation Limited**

It was announced on 29th October, 1989 that the Company’s holding in Stanbic is expected to be reduced to approximately 40 per cent (on an undiluted basis) as a result of the proposals by Stanbic to acquire all the outstanding shares that it does not already own in the United and Heenan groups. On conversion in 1986 of the Convertible Redeemable Cumulative Preference Shares of Stanbic the Company’s holding would reduce to approximately 39 per cent.

**Acquisition of United Bancorp of Arizona**

It was announced on 9th September, 1989 that United Bancorp (a wholly-owned subsidiary of the Company) had agreed to acquire United Bancorp of Arizona, the holding company of United Bank of Arizona, for approximately U.S.$330 million. The acquisition is conditional on, inter alia, the approval of state and federal banking and other regulatory authorities and the approval of the shareholders of United Bancorp of Arizona and is due to be completed on 2nd January, 1991.

**Cross-Border Assets**

(Servings by customers in non-local currency)

<table>
<thead>
<tr>
<th>Sovereign</th>
<th>Banks</th>
<th>Private Sector</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>0.3</td>
<td>0.3</td>
<td>0.6</td>
</tr>
<tr>
<td>Mexico</td>
<td>0.6</td>
<td>0.1</td>
<td>0.7</td>
</tr>
<tr>
<td>South Africa</td>
<td>0.2</td>
<td>0.8*</td>
<td>1.0</td>
</tr>
</tbody>
</table>

*Included in borrowings by South African banks are amounts totalling U.S. 10.9 billion from, or guaranteed by, Stanbic group companies.

**Directors of the Company**

The Directors of the Company, the business address of each of whom is 312 Bishopsgate, London EC2N 4DE, their respective functions within the Group and their respective principal outside activities, where significant to the Company and its subsidiaries, are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Function within the Group</th>
<th>Principal Outside Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Rt Hon Lord Barber</td>
<td>Group Chairman</td>
<td>Director British Petroleum plc</td>
</tr>
<tr>
<td>Peter Alfred Graham, OBE</td>
<td>Senior Deputy Chairman</td>
<td>Chairman Crown Agents for Overseas Governments and Administration</td>
</tr>
<tr>
<td>Sir Leslie Fletcher, OBC</td>
<td>Deputy Chairman, Chairman Standard Chartered Merchant Bank Limited</td>
<td>Chairman Glynwed International plc</td>
</tr>
<tr>
<td>Sir Michael Douglas McWilliam</td>
<td>Group Managing Director, Deputy Chairman Standard Chartered Merchant Bank Limited</td>
<td></td>
</tr>
<tr>
<td>Robin Alexander MacDonald</td>
<td>Executive Director</td>
<td></td>
</tr>
<tr>
<td>David Lindsay Miller, OBE</td>
<td>Executive Director</td>
<td></td>
</tr>
<tr>
<td>Stuart Stanley Tarrant, FCA</td>
<td>Executive Director and Chief Financial Officer</td>
<td></td>
</tr>
<tr>
<td>Sir Charles Denis Hamilton, Kt, DSO, TD</td>
<td>Director</td>
<td>Lite President and Director Inchcape PLC</td>
</tr>
<tr>
<td>James Liddon</td>
<td>Director</td>
<td></td>
</tr>
<tr>
<td>David Rumled Mitchell</td>
<td>Director</td>
<td></td>
</tr>
<tr>
<td>Sir Derek Mitchell, KCB, CVO</td>
<td>Director</td>
<td></td>
</tr>
<tr>
<td>John Brangwyn Page</td>
<td>Director</td>
<td>Director Nationwide Building Society</td>
</tr>
<tr>
<td>The Lord Prenncock</td>
<td>Director</td>
<td>Deputy Chairman The Plorey Company plc</td>
</tr>
<tr>
<td>Sir Idwal Vaughan Pugh, KCB</td>
<td>Director</td>
<td>Director Hollin Building Society</td>
</tr>
</tbody>
</table>

Continued on Card 3
ST 99

STANDARD CHARTERED PLC

(Incorporated with limited liability in England)

UNITED KINGDOM TAXATION

The Company has been advised that under current United Kingdom law and practice the taxation position of Noteholders (other than dealers) who are the absolute beneficial owners of Notes can be summarized as follows:

1. The Notes will constitute "quoted Eurobonds" within the terms of Section 35 of the Finance Act 1984, provided they remain in bearer form and continue to be quoted on a recognized stock exchange within the meaning of Section 535 of the Income and Corporation Taxes Act 1970. Accordingly, payments of interest may be made without withholding or deduction for or on account of United Kingdom income tax where:
   (a) the person by or through whom the payment is made is not in the United Kingdom. The Company has been advised that in accordance with current Inland Revenue practice no withholding or deduction for or on account of United Kingdom income tax will be required where the payment of interest is made by an overseas paying agent in the United Kingdom; or
   (b) the payment is made by or through a person who is in the United Kingdom and:
      (i) it is in a claim in that behalf made to the Commissioners of Inland Revenue, that the person who is the beneficial owner of the Note and entitled to the interest on the Note in the United Kingdom, or, where the interest is by virtue of any provision of the United Kingdom Taxes Acts deemed to be paid to a person other than the person who is the beneficial owner of the Note, on a claim in that behalf made to the Commissioners of Inland Revenue by that other person that such other person is not resident in the United Kingdom. Under current Inland Revenue practice an appropriate form of declaration of non-residence provided to the paying agent is sufficient proof; or
      (ii) the Note and Coupon are held by one and the same person in a "recognized clearing system". Eurobonds and CEDEL S.A. have each been designated as a "recognized clearing system" for this purpose.

In all other cases, interest will be paid under deduction of United Kingdom income tax subject to such relief as may be available under the provisions of any relevant double taxation treaty.

2. A collecting agent in the United Kingdom obtaining payment of interest elsewhere than in the United Kingdom on behalf of a holder of a Note or Coupon may be required to withhold or deduct tax for or on account of United Kingdom income tax unless it is proved, on a claim in that behalf made to the Commissioners of Inland Revenue, that the beneficial owner of the Note or Coupon is not resident in the United Kingdom.

3. The interest has a United Kingdom source and accordingly will be chargeable to United Kingdom tax by direct assessment even if the interest was paid without withholding or deduction. However, under long-standing Inland Revenue practice, the interest will not be assessed to United Kingdom tax in the hands of Noteholders who are not resident in the United Kingdom, except where such persons:
   (a) are chargeable in the name of an agent in the United Kingdom; or
   (b) have a branch in the United Kingdom which has the management or control of the interest; or
   (c) seek to claim relief in respect of taxed income from United Kingdom sources; or
   (d) are chargeable to Corporation Tax on the income of a United Kingdom branch or agency to which the interest is attributable.

4. Noteholders should note that the provisions relating to additional payments referred to under "Description of the Notes - Taxation" above would not apply if the Inland Revenue sought to assess the person entitled to the relevant interest directly to United Kingdom tax on interest. However, exemption from or reduction of such United Kingdom tax liability might be available under an appropriate double taxation treaty.

5. The Company has been advised that payments of interest on the Notes will not be treated as distributions within the meaning of the Taxes Acts for the time being of the United Kingdom.

6. Noteholders may be subject to United Kingdom taxation on a disposal of Notes if they are resident or ordinarily resident in the United Kingdom or if they carry on a trade in the United Kingdom through a branch or agency to which the Notes are attributable. The exemptions from United Kingdom taxation on capital gains for "qualifying corporate bonds" do not apply to the Notes.

7. No United Kingdom capital transfer tax is charged on the death of, or on gifts of Notes by, a Noteholder who is neither domiciled nor deemed to be domiciled in the United Kingdom provided that the relevant Notes are held outside the United Kingdom at the time of death or gift.

LISTING AND GENERAL INFORMATION

The listing of the Notes on The Stock Exchange will be expressed in dollars as a percentage of their principal amount (excluding accrued interest). Subject to and in accordance with the arrangements referred to under "Description of the Notes - Form and Denomination" and "Description and Sale" above, transactions in the Notes on The Stock Exchange will normally be effected for settlement in dollars and, under current practice, for delivery on the fifth business day in London after the date of the transaction. It is expected that the listing of the Notes will be granted on 14th November, 1985 subject only to the issue of the temporary Global Note. Pending such issue, however, dealings will be permitted by the Council of The Stock Exchange in accordance with its rules.

None of the Notes is available to the public in conjunction with the application to list the Notes on The Stock Exchange. A portion of the Notes has been made available by the Managers to the London market in connection with the application to list the Notes on The Stock Exchange.

The Notes have been accepted for clearance through CEDEL S.A. (Reference no. 147861) and through Euroclear (Reference no. 147860).

Standard Chartered Merchant Bank Limited ("SCMB") is wholly-owned subsidiary of the Company and Sir Leslie Fletcher and Mr. M. D. McWilliam are both Directors of the Company and of SCMB.

Mr. R. G. Norton is a non-executive Director of The Law Debenture Trust Corporation, I.C. and a partner of Slaughter and May, legal advisors to the Company.

Neither the Company nor any of its subsidiaries is involved in any legal or arbitration proceedings which may have or have
Dated 14th November, 1985

This card is circulated by Extel Statistical Services Ltd. in compliance with the requirements of the Council of The Stock Exchange and is printed by 8nim Shaw London.