

28 September 2020

MUFG BANK, LTD.
as Issuer

AND

MASTERLINK SECURITIES CORPORATION
as Lead Manager

AND

CATHAY UNITED BANK CO., LTD.
as Co-Manager

SUBSCRIPTION AGREEMENT

in respect of
a U.S.\$50,000,000,000 Medium Term Note Programme of
Mitsubishi UFJ Financial Group, Inc.
and
MUFG Bank, Ltd.
issue of
MUFG BANK, LTD. USD 200,000,000 CALLABLE ZERO
COUPON NOTES DUE 15 OCTOBER 2050

THIS AGREEMENT is made on 28 September 2020

BETWEEN

- (1) **MUFG BANK, LTD.** (the "**Issuer**");
- (2) **MASTERLINK SECURITIES CORPORATION** as lead manager (the "**Lead Manager**"); and
- (3) **CATHAY UNITED BANK CO., LTD.** (the "**Co-Manager**").

(the Lead Manager together with the Co-Manager are named as the "**Managers**" and each as the "**Manager**" for the purposes of this Agreement)

WHEREAS

The Issuer has established a Medium Term Note Programme (the "**Programme**") in connection with which it has entered into an amended and restated programme agreement dated 7 August 2020 (the "**Programme Agreement**").

- (A) Pursuant to the Programme Agreement, the Issuer is entitled to sell Notes (as defined in the Programme Agreement) issued under the Programme to institutions who become Dealers in relation to a particular Tranche of Notes only. Each of the Managers is either a Dealer in relation to the Programme or has agreed to become a Dealer in relation to the Notes (as defined below) pursuant to the provisions of this Agreement.
- (B) The Issuer proposes to issue "MUFG Bank, Ltd. USD 200,000,000 Callable Zero Coupon Notes due 15 October 2050" (the "**Notes**") and the Managers wish to subscribe such Notes.
- (C) The Notes are intended to be listed on the Taipei Exchange (the "**TPEX**") in the Republic of China (Taiwan) (the "**ROC**") and an application will be made to the TPEX for the listing and trading of the Notes on the TPEX.

IT IS AGREED as follows:

1. **INTERPRETATION**

1.1 **Relevant Agreement**

This Agreement is a "Relevant Agreement" as that term is defined in the Programme Agreement and each of the Managers is a Dealer on the terms set out in the Programme Agreement, saved as expressly modified herein. This Agreement is supplemental to, and should be read and construed in conjunction with, the Programme Agreement.

1.2 **The Notes**

The Notes are issued under the Programme and accordingly are Notes as defined in and for the purposes of the Programme Agreement, the Trust Deed, and the Agency Agreement.

1.3 **Defined terms and construction**

All terms and expressions which have defined meanings in the Programme Agreement shall have the same meanings in this Agreement except where the context requires otherwise or unless otherwise stated. In the event of any conflict or inconsistency between the provisions of this Agreement and the Programme Agreement, the provisions of this Agreement shall apply. The provisions of Clauses 1.3 (*Clauses and Schedules*) to 1.7 (*Headings*) of the Programme Agreement shall apply to this Agreement *mutatis mutandis*.

2. **NEW DEALER**

2.1 **Appointment of New Dealer**

It is agreed that each of the Managers (for the purposes of this Clause 2 (*New Dealer*), a "**New Dealer**") shall become a Dealer upon the terms of the Programme Agreement with all the authority, rights, powers, duties and obligations of a Dealer as if originally named as a Dealer under the Programme Agreement, *provided that*:

2.1.1 *Notes only*: such authority, rights, powers, duties and obligations shall extend to the Notes only; and

2.1.2 *Termination*: following the issue of the Notes, each New Dealer 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 issue of the Notes.

2.2 **Appointment of Liquidity Provider**

The Issuer hereby appoints the Lead Manager (the "**Liquidity Provider**") as the liquidity provider for providing quotations in respect of the Notes (the "**Liquidity Provider Appointment**") in accordance with Article 24-1 of the Taipei Exchange Rules Governing Management of Foreign Currency Denominated International Bonds (the "**TPEX Rules**") and other relevant regulations. Such Liquidity Provider hereby accepts such appointment and agrees to provide such quotations in accordance with the TPEX Rules and other relevant regulations.

2.3 **Appointment of Filing Agent**

The Issuer hereby appoints the Lead Manager as the filing agent in the ROC in respect of the Notes (the "**Filing Agent**") and the Lead Manager agrees that it will act as the filing agent for the Issuer and assist the Issuer in making the required reporting to the Central Bank of the Republic of China (Taiwan) (with a copy to the TPEX) in connection with the issue and offering of the Notes, making the application to the TPEX and other relevant authorities (if any) for and in connection with the listing and trading of the Notes on the TPEX.

3. **ISSUE OF THE NOTES**

3.1 **Final Terms**

The Issuer confirms that it has approved the final terms (the "**Final Terms**") dated 24 September 2020 in connection with the issue of the Notes and confirms that the Final Terms is an authorised document for the purposes of Clause 9 (*Authority to Distribute Documents*) of the Programme Agreement.

3.2 **Undertaking to issue**

The Issuer undertakes to the Managers that, subject to and in accordance with the provisions of this Agreement, the Notes was priced on 24 September 2020 (the "**Pricing Date**") and will be issued on 15 October 2020 (the "**Issue Date**"), in accordance with this Agreement, the Trust Deed and the Agency Agreement.

3.3 **Undertaking to subscribe**

The Managers undertake to the Issuer that, subject to and in accordance with the provisions of this Agreement, they will severally but not jointly subscribe and pay for the Notes on the Issue Date at 100 per cent. of the aggregate principal amount of the Notes (the "**Issue Price**"). The obligations of the Managers under this sub-clause 3.3 are several and not joint.

4. **ADDITIONAL REPRESENTATIONS AND WARRANTIES**

4.1 **Representations and Warranties of the Issuer**

The Issuer hereby represents and warrants to and (where applicable) agrees with the Managers and each of them (for the benefit of themselves and other purchasers of the Notes and as agents for such purchasers) as of the date of this Agreement and the Issue Date as follows:

4.1.1 the execution and delivery of this Agreement by the Issuer has been duly authorised by the Issuer and, upon due execution, constitutes legal, valid and binding obligations of the Issuer, enforceable in accordance with their respective terms subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally (whether considered in a proceeding in equity or at law);

4.1.2 the execution of this Agreement and the performance of the terms of this Agreement does not and will not (i) conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, the documents constituting the Issuer or any indenture, trust deed, mortgage or other agreement or instrument to which the Issuer is a party or by which the Issuer or any of its properties is bound or (ii) infringe any existing applicable law, rule, regulation, judgment, order, or decree of any government, governmental body or court, domestic or foreign, having jurisdiction over the Issuer or any of its properties;

4.1.3 except as otherwise disclosed in the Base Prospectus, there are no pending

actions, suits or proceedings against or affecting the Issuer or any of its properties which, if determined adversely to the Issuer, would individually or in the aggregate have an adverse effect on the condition (financial or other), prospects, results of operations, general affairs or profitability of the Issuer, or would adversely affect the ability of the Issuer to perform its obligations under this Agreement; and

- 4.1.4 all consents, approvals, authorisations, orders and clearances of all regulatory authorities required by the Issuer for or in connection with the execution of, and compliance with the terms of, this Agreement have been obtained and are in full force and effect.

As between the Issuer and the Managers, the provisions of this sub-clause 4.1 hereof shall take effect as representations, warranties, agreements and undertakings of the Issuer in the Programme Agreement.

4.2 REPRESENTATIONS AND WARRANTIES OF THE MANAGERS

- 4.2.1 Each Manager represents and warrants that as at the date of this Agreement:

- (a) it has the corporate power to carry on its business as it is now being conducted;
- (b) it has full power and authority to enter into and perform its obligations under this Agreement;
- (c) it has authorized the execution and performance of this Agreement; and
- (d) the execution and performance of this Agreement does not violate any law, regulation or authorization (including for the avoidance of doubt all applicable regulatory rules, directives and codes of conduct), its constitutive documents or any document which is binding on it.

- 4.2.2 Each Manager further represents and agrees that:

- (a) all licenses, consents, approvals, authorizations, orders and clearances of all regulatory authorities required by such Manager, including without limitation from the Taiwan Securities Association ("TSA") for or in connection with the subscription and/or distribution of the Notes, the Filing Agent's duties (as applicable) and the Liquidity Provider's duties (as applicable) and the compliance by such Manager with the terms of any of the foregoing have been obtained and are in full force and effect;
- (b) its purchase of the Notes will only be as principal, and that it is not acting as an agent or in any other capacity for the Issuer or any other third party;
- (c) it has not made and will not make any representations, warranties or other statements intended to have legal effect on behalf of the Issuer;
- (d) it will be solely responsible for purchasing, distributing, selling and/or

placing the Notes jointly with the other Manager(s);

- (e) it will not be receiving advice or any recommendations, representations or warranties from the Issuer except as set forth in this Agreement and the Programme Agreement;
- (f) it has been and will be solely responsible for assessing the suitability of the sale and/or distribution of the Notes to the prospective investors and ensuring that any required, appropriate and suitable disclosure and documentation in respect of the Notes is supplied to such investors;
- (g) it has been and will be solely responsible for ensuring that relevant staff have the necessary training, skills and knowledge to understand the terms, conditions and risks of the Notes such that they are capable of adequately performing the suitability analysis set out in the immediately preceding clause;
- (h) it has implemented appropriate processes and procedures in respect of such distribution to ensure compliance with all applicable legal, regulatory and market requirements;
- (i) any communication presented by, or to be presented by, such Manager to a potential investor of the Notes regarding the Notes shall be a fair and balanced picture regarding both the risks and benefits of investing in the Notes;
- (j) it has not and undertakes not to distribute or circulate or otherwise disseminate any marketing material (other than the legal documentation issued by the Issuer or any marketing material (if any) delivered to such Manager by the Issuer in relation to Notes) without the Issuer's prior written approval;
- (k) it has not and will not, directly or indirectly, offer, sell or arrange the sale of the Notes, distribute or publish any offering circular, prospectus, form of application, advertisement, other documents or information, or carry out any type of solicitation in connection with any Notes in any country or jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations and in accordance with the selling restrictions set forth herein and in the Programme Agreement;
- (l) it has complied with and will comply with all applicable laws and regulations in the distribution of the Notes and its other duties as contemplated hereunder; and
- (m) it has in place, and will continue to maintain, procedures to comply, and will comply, with all relevant laws and regulations applicable to its activities hereunder, including but not limited to the laws and regulations in respect of (a) anti-money laundering, the fight against terrorism financing and know-your-customer, anti-bribery and anti-corruption (including verification of identity of its clients), (b)

suitability and appropriateness of its clients, and for its clients of products sold to, or otherwise made available to them, and (c) the provision of information and (if applicable) investment advice to its clients.

4.2.3 Without prejudice to the above representations and warranties provided by each of the Managers, each Manager which is also a Liquidity Provider, in its capacity as the Liquidity Provider represents and agrees that:

- (a) all licenses, consents, approvals, authorizations, orders and clearances of all regulatory authorities required by such Liquidity Provider in connection with the Liquidity Provider Appointment on the terms specified herein have been obtained and are in full force and effect;
- (b) its shall at all times perform its duties and obligations under the Liquidity Provider Appointment in compliance with all applicable laws, rules and regulations, including without limitation Article 24-1 of the TPEX Rules; and
- (c) it will be solely responsible for its duties and obligations under the Liquidity Provider Appointment and it shall perform all of its duties and obligations thereunder without any reliance on the Issuer, or any of its respective affiliates.

4.2.4 Each of the Managers will indemnify the Issuer and any of its employees, directors, affiliates, officers and agents (each an "**Indemnified Party**") against any loss, liability, cost, claim, action, demand or expense (including, but not limited to, all reasonable costs, charges and expenses paid or incurred in disputing or defending the foregoing) which it may incur or which may be made against such Indemnified Party arising out of or in relation to or in connection with any failure to comply with the representations, warranties and/or undertakings given by such Manager in this Agreement.

5. **FEES AND EXPENSES**

5.1 **Combined management and underwriting commission**

The Issuer shall, on the Issue Date, pay to the Lead Manager for the account of the Managers a combined management and underwriting commission of 0.10 per cent. of the aggregate principal amount of the Notes. Such combined commission shall be deducted from the Issue Price and the commission received by each Manager has been more fully described in Annex A. For the avoidance of doubt, the commission payable to each of the Managers shall not be paid back or refunded to the Issuer, its related parties or any person designated by any of the above by any means or in any form.

5.2 **Expenses in connection with the Notes**

The Issuer shall bear and pay (together with any applicable value added or similar tax) all costs and expenses incurred in or in connection with the printing of the Notes, this Agreement and the Final Terms prepared in connection with the issue of the Notes,

the listing of the Notes on the TPEX and making initial delivery of the Notes. In addition, the Issuer agrees to be responsible for the fees and expenses of its own advisers and contractual partners (such as the rating agencies, auditors and its own legal advisers (if applicable)).

6. **SELLING RESTRICTIONS**

The following selling restriction applies to the Notes in addition to the selling restrictions set out in the Programme Agreement, and shall be deemed to be added, for the purposes of the Notes, to Schedule 1 of the Programme Agreement:

"The Republic of China (Taiwan)

The Notes have not been offered, sold or re-sold, and will not be offered, sold or re-sold, directly or indirectly to investors other than professional institutional investors as defined under Paragraph 2 of Article 4 of the Financial Consumer Protection Act of the ROC. Purchasers of the Notes are not permitted to sell or otherwise dispose of the Notes except by transfer to a professional institutional investor."

7. **CLOSING**

7.1 **Closing**

Subject to Clause 7.2 (*Conditions precedent*), the closing of the issue shall take place on the Issue Date, whereupon:

7.1.1 *Delivery of Temporary or Permanent Global Note:* the Issuer shall deliver the Temporary or Permanent Global Note, duly executed on behalf of the Issuer and authenticated in accordance with the Agency Agreement, to a common depository or common safekeeper designated for the purpose by Euroclear and Clearstream, Luxembourg for credit on the Issue Date to the accounts of Euroclear and Clearstream, Luxembourg with such common depository or common safekeeper.

7.1.2 *Payment of net issue proceeds:* against such delivery, the Managers shall procure the payment of the net proceeds of the issue of the Notes (namely the Issue Price *plus* accrued interest, if any, from the Issue Date *less* the commission payable to the Managers that are to be deducted pursuant to Clause 5.1 (*Combined management and underwriting commission*)) to the Issuer by credit transfer in USD for same day value to such account as the Issuer has designated to the Lead Manager.

7.2 **Conditions precedent**

7.2.1 The Managers shall only be under obligation to subscribe and pay for the Notes upon the satisfaction of, or in the case of (c) below receipt by, or confirmation to, the Lead Manager (on behalf of the Managers) on the Issue Date of the following:

- (a) *Programme Agreement Conditions Precedent:* the conditions precedent set out in Clause 3.1 (*Conditions precedent to first issue of Notes*) and

Clause 3.2 (*Conditions precedent to any issue of Notes*) of the Programme Agreement having been satisfied;

- (b) *No adverse change of rating*: since the date of this Agreement no internationally recognised rating agency having, in respect of any debt securities of the Issuer, issued any notice (a) downgrading such securities, (b) indicating that it intends to downgrade, or is considering the possibility of downgrading, such securities or (c) indicating that it is reconsidering the rating of such securities without stating that this is with a view to upgrading them; and
- (c) *Legal opinions*: pursuant to Clause 5.10 (*Legal opinions*) of the Programme Agreement, legal opinions dated the Issue Date and addressed to the Managers from Lee and Li, Attorneys-at-Law.

7.2.2 In addition to the Clause 7.2.1 above, the obligation of the Managers shall be conditional upon (a) no meeting of the holders of Notes (or any of them) to consider matters which might in the opinion of the Managers be considered to be material in the context of the issue of the Notes having been duly convened but not yet held or, if held but adjourned, the adjourned meeting having not been held, and (b) the Issuer not being aware of any circumstances which are likely to lead to the convening of such a meeting.

7.2.3 The obligations of the Managers to subscribe for the Notes are further subject to the following conditions precedent:

- (a) the listing and trading application of the Notes shall have been submitted to TPEX no later than five (5) Taipei business days prior to the Issue Date;
- (b) this Agreement shall have been executed by the parties and submitted to TSA to seek its approval of recordation in accordance with the applicable regulations and rules; and
- (c) the Notes shall have been approved for listing and quotation on the TPEX before the Issue Date, subject only to the official notice of issuance.

8. **FAILURE TO SUBSCRIBE THE NOTES**

If any of the Managers fails to subscribe and pay for any of the Notes agreed to be subscribed and paid for by such Manager (the "**Default Notes**") and the failure constitutes a default in the performance of its obligations under this Agreement, this Agreement will be terminated with respect only to the defaulting Manager concerning the Default Notes (except for (a) the liability of the Issuer in relation to expenses as provided in Clause 5.2 hereof, (b) any liability of the defaulting Manager or the Issuer arising before or in relation to such termination and (c) any liability of the defaulting Manager for damages caused by its default). Upon such default, the Issuer may take any action as it deems fit, including without limitation, the appointment of any new managers in respect of the Default Notes, or agreeing with the non-defaulting Manager regarding the purchase of any of such Default Notes by the non-defaulting

Manager or other persons which may or may not be on a pro rata basis, or an election by the Issuer to terminate this Agreement without liability on the part of any non-defaulting Manager or the Issuer. Nothing in this Agreement shall relieve the defaulting Manager of its liability, if any, to the Issuer for damages caused by its default.

9. **DELIVERY OF PROSPECTUS**

The Issuer hereby acknowledges that the Base Prospectus was supplied to each Manager in sufficient copies as such Manager shall reasonably require on or before 24 September 2020. Each Manager hereby acknowledges that it delivered the Base Prospectus to the potential investors of the Notes on or about 15 October 2020 by e-mail.

10. **SURVIVAL**

The provisions of this Agreement shall continue in full force and effect notwithstanding the completion of the arrangements set out herein for the issue of the Notes and regardless of any investigation by any party hereto.

11. **TIME**

Any date or period specified herein may be postponed or extended by mutual agreement among the parties but, as regards any date or period originally fixed or so postponed or extended, time shall be of the essence.

12. **NOTICES**

Any notification hereunder to the Issuer shall be made in accordance with the provisions of Clause 12 (*Notices*) of the Programme Agreement and, in the case of notification to the Managers, shall be to the Lead Manager by email, fax or in writing at:

MasterLink Securities Corporation

19F, No.97, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)

Attention: Paul Tsai, Fixed Income Department

Telephone: +886-2-7711-3146

Telefax: +886-2-2706-5814

Email: paultsai@masterlink.com.tw

CATHAY UNITED BANK CO., LTD.

2F., No. 7, Songren Road, Taipei 11073, Taiwan, ROC

Attention: David Liou

Telephone: 886-2-8722-6666 ext. 3642

Telefax: 886-2-8789-2253

Email: davidliou@cathaybk.com.tw

13. GOVERNING LAW AND JURISDICTION

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law. The courts of England shall have exclusive jurisdiction to settle any Dispute (as defined in the Programme Agreement) arising from or in connection with this Agreement. The provisions of Clause 19 (*Law and Jurisdiction*) of the Programme Agreement shall be deemed to be incorporated by reference into this Agreement *mutatis mutandis*.

14. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Any party may enter into this Agreement by signing any such counterpart.

15. RIGHTS OF THIRD PARTIES

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

AS WITNESS the hands of the duly authorised representatives of the parties hereto the day and year first before written.

For and on behalf of

MUFG BANK, LTD.

(as the Issuer)

By: _____

Koichi Sasaki

Title: Managing Director

Address: 7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-8388, Japan

For and on behalf of

MASTERLINK SECURITIES CORPORATION

(as the Lead Manager, Liquidity Provider and Filing Agent)

By: _____

Chen, Chun-Hong (陳俊宏)

Title: Chairman of the Board

Address: 1-3 F, No.209, Sec. 1, Fuxing S. Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)

For and on behalf of

CATHAY UNITED BANK CO., LTD.

(as the Co-Manager)

By: _____

David Liou

Title: Assistant Manager

Address: 2F., No. 7, Songren Road, Taipei 11073, Taiwan, ROC

Annex A
To the Subscription Agreement

| Managers | Principal amount of Notes to be subscribed (in U.S.\$) | Management and underwriting commission (in U.S.\$) |
|--------------------------------------|---|---|
| MASTERLINK SECURITIES CORPORATION | 135,000,000 | 135,000 |
| CATHAY UNITED BANK CO., LTD. | 65,000,000 | 65,000 |
| Total | 200,000,000 | 200,000 |