

<b>AVVISO n.3080</b>	05 Marzo 2014	SeDeX - INV. CERTIFICATES
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Mittente del comunicato : Borsa Italiana

Societa' oggetto : BNP PARIBAS ARBITRAGE ISSUANCE  
dell'Avviso

Oggetto : Inizio negoziazione 'Investment Certificates  
- Classe B' 'BNP PARIBAS ARBITRAGE  
ISSUANCE'

*Testo del comunicato*

Si veda allegato.

*Disposizioni della Borsa*

Strumenti finanziari:	<b>Fixed Premium Athena Certificates su Azione UniCredit</b>		
Emittente:	BNP PARIBAS ARBITRAGE ISSUANCE		
Garante:	BNP Paribas		
Rating Emittente:	Società di Rating	Long Term	Data Report
	Moody's	A2	17/07/2013
	Standard & Poor's	A+	20/06/2013
	Fitch Ratings	A+	17/07/2013
Oggetto:	<b>INIZIO NEGOZIAZIONI IN BORSA</b>		
Data di inizio negoziazioni:	<b>06/03/2014</b>		
Mercato di quotazione:	Borsa - Comparto SEDEX 'Investment Certificates - Classe B'		
Orari e modalità di negoziazione:	Negoziazione continua e l'orario stabilito dall'art. IA.7.3.1 delle Istruzioni		
Operatore incaricato ad assolvere l'impegno di quotazione:	BNP Paribas Arbitrage SNC Member ID Specialist: IT0540		

### **CARATTERISTICHE SALIENTI DEI TITOLI OGGETTO DI QUOTAZIONE**

#### **Fixed Premium Athena Certificates su Azione UniCredit**

Tipo di liquidazione:	monetaria
Modalità di esercizio:	europeo
Modalità di negoziazione:	per gli Strumenti Finanziari la data di negoziazione ex-diritto al pagamento dell'importo periodico decorre dal secondo giorno di mercato aperto antecedente le rispettive record date

### **DISPOSIZIONI DELLA BORSA ITALIANA**

Dal giorno 06/03/2014, gli strumenti finanziari 'Fixed Premium Athena Certificates su Azione UniCredit' (vedasi scheda riepilogativa delle caratteristiche dei securitised derivatives) verranno inseriti nel Listino Ufficiale, sezione Securitised Derivatives.

Allegati:

- Scheda riepilogativa delle caratteristiche dei securitised derivatives;
- Estratto del prospetto di quotazione dei Securitised Derivatives

Num. Serie	Codice Isin	Trading Code	Instrument Id	Descrizione	Sottostante	Tipologia	Strike	Data Scadenza	Valore Nominale	Quantità	Lotto Negoziazione	EMS	Prima Barriera	Rebate	Livello Iniziale
1	NL0010399176	P99176	756647	BPAUCGCCPCH5,41AB3,787E030316	Unicredit SpA	Inv	5,41	03/03/16	100	100000	1	25	3,787	6,5	5,41

**FINAL TERMS DATED 17 FEBRUARY 2014**

**BNP Paribas Arbitrage Issuance B.V.**

*(incorporated in The Netherlands)  
(as Issuer)*

**BNP Paribas**

*(incorporated in France)  
(as Guarantor)*

(Note, Warrant and Certificate Programme)

**Up to 100,000 Fixed Premium Athena Certificates  
relating to the shares of Unicredit SpA**

**BNP Paribas Arbitrage S.N.C.**

*(as Manager)*

Any person making or intending to make an offer of the Securities may only do so:

- (i) in those Public Offer Jurisdictions mentioned in Paragraph 47 of Part A below, provided such person is of a kind specified in that paragraph and that the offer is made during the Offer Period specified in that paragraph; or
- (ii) otherwise in circumstances in which no obligation arises for the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

None of the Issuer, the Guarantor or any Manager has authorised, nor do they authorise, the making of any offer of Securities in any other circumstances.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

Investors should note that if a supplement to or an updated version of the Base Prospectus referred to below is published at any time during the Offer Period (as defined below), such supplement or updated base prospectus, as the case may be, will be published and made available in accordance with the arrangements applied to the original publication of these Final Terms. Any investors who have indicated acceptances of the Offer (as defined below) prior to the date of publication of such supplement or updated version of the Base Prospectus, as the case may be, (the "**Publication Date**") have the right within two working days of the Publication Date to withdraw their acceptances.

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 3 June 2013, each Supplement to the Base Prospectus published and approved on or before the date of these Final Terms (copies of which are available as described below) and any other Supplement to the Base Prospectus which may have been published and approved before the issue of any additional amount of Securities (the "**Supplements**") (provided that to the extent any such Supplement (i) is published and approved after the date

of these Final Terms and (ii) provide for any change to the Conditions of the Securities such changes shall have no effect with respect to the Conditions of the Securities to which these Final Terms relate) which together constitute a base prospectus for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") (the "**Base Prospectus**"). The Base Prospectus and any Supplements to the Base Prospectus have been passported into Italy in compliance with Article 18 of the Prospectus Directive. This document constitutes the Final Terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on BNP Paribas Arbitrage Issuance B.V. (the "**Issuer**"), BNP Paribas (the "**Guarantor**") and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. A summary of the Securities (which comprises the Summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. The Base Prospectus, any Supplements to the Base Prospectus and these Final Terms are available for viewing on [www.prodottidiborsa.com](http://www.prodottidiborsa.com) and copies may be obtained free of charge at the specified offices of the Security Agents. The Base Prospectus and the Supplements to the Base Prospectus will also be available on the AMF website [www.amf-france.org](http://www.amf-france.org).

References herein to numbered Conditions are to the terms and conditions of the relevant series of Securities and words and expressions defined in such terms and conditions shall bear the same meaning in these Final Terms in so far as they relate to such series of Securities, save as where otherwise expressly provided.

These Final Terms relate to the series of Securities as set out in "Specific Provisions for each Series" below. References herein to "**Securities**" shall be deemed to be references to the relevant Securities that are the subject of these Final Terms and references to "**Security**" shall be construed accordingly.

#### **SPECIFIC PROVISIONS FOR EACH SERIES**

<b>SERIES NUMBER</b>	<b>NO. OF SECURITIES ISSUED</b>	<b>NO OF SECURITIES</b>	<b>ISIN</b>	<b>COMMON CODE</b>	<b>ISSUE PRICE PER SECURITY</b>	<b>EXERCISE DATE</b>	<b>Trading Code</b>
CE1511UR	Up to 100,000	Up to 100,000	NL0010399176	102013557	EUR 100	3 March 2016	P99176

#### **GENERAL PROVISIONS**

The following terms apply to each series of Securities:

1. Issuer: BNP Paribas Arbitrage Issuance B.V.
2. Guarantor: BNP Paribas
3. Trade Date: 3 March 2014
4. Issue Date: 6 March 2014
5. Consolidation: Not applicable
6. Type of Securities:
  - (a) Certificates
  - (b) The Securities are Share Securities

The Certificates are European Style Certificates.

Automatic Exercise applies.

The Exercise Date is 3 March 2016 or, if such day is not a Business Day, the immediately succeeding Business Day.

The Exercise Date will be subject to the same adjustments provided for the Redemption Valuation Date. For the purposes of Borsa Italiana, the Exercise Date shall be deemed to be also the expiration date of the Securities.

The Exercise Settlement Date is 10 March 2016.

The minimum number of Securities that may be exercised by the Holder is (1) one Security and in excess thereof by multiples of (1) one Security.

The provisions of Annex 3 (*Additional Terms and Conditions for Share Securities*) shall apply.

- |   |  |
|---|--|
| 7. Form of Securities:                              | Italian Dematerialised Securities  |
| 8. Business Day Centre(s):                          | The applicable Business Day Centre for the purposes of the definition of "Business Day" in Condition 1 is TARGET2. |
| 9. Settlement:                                      | Settlement will be by way of cash payment (Cash Settled Securities).   |
| 10. Rounding Convention for Cash Settlement Amount: | Not applicable   |
| 11. Variation of Settlement:                        |  |

Issuer's option to vary settlement:	The Issuer does not have the option to vary settlement in respect of the Securities.
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12. Final Payout

**ETS Final Payout 1230/1**

- (i) if Settlement Price Final is equal to or greater than the Barrier Level:

Notional Amount x (100% + Coupon Percentage) ; or

- (ii) if Settlement Price Final is less than the Barrier Level:

Notional Amount x  $\frac{\text{Settlement Price Final}}{\text{Strike Price}} + \text{Coupon Percentage}$

**“Barrier Level”** means 70% x Strike Price;

**"Coupon Percentage"** means 0%;

**“Settlement Price Final”** means Settlement Price on Redemption Valuation Date.

Payout Switch:	Not applicable
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Aggregation:	Not applicable
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13. Relevant Asset(s):	Not applicable
14. Entitlement:	Not applicable
15. Exchange Rate	Not applicable
16. Settlement Currency:	The settlement currency for the payment of the Cash Settlement Amount is Euro (" <b>EUR</b> ")
17. Syndication:	The Securities will be distributed on a non-syndicated basis.
18. Minimum Trading Size:	The minimum trading size will be established by Borsa Italiana S.p.A. with a notice communicating the first day of trading.
19. Principal Security Agent:	BNP Paribas Securities Services, Milan Branch
20. Registrar:	Not applicable
21. Calculation Agent:	BNP Paribas Arbitrage S.N.C. 160-162 boulevard MacDonald, 75019 Paris, France.
22. Governing law:	English law
23. Masse provisions (Condition 9.4):	Not applicable

**PRODUCT SPECIFIC PROVISIONS (ALL SECURITIES)**

24. Index Securities:	Not applicable
25. Share Securities:	Applicable.
(a) Share(s)/Share Company/Basket Company/GDR/ADR:	Ordinary shares of Unicredit S.p.A. (Reuters Code: <b>CRDL.MI</b> )
(b) Relative Performance Basket:	Not applicable
(c) Share Currency:	EUR
(d) ISIN of Share(s):	IT0004781412
(e) Exchange(s):	Italian Stock Exchange
(f) Related Exchange(s):	All Exchanges
(g) Exchange Business Day:	Single Share Basis

(h)	Scheduled Trading Day:	Single Share Basis
(i)	Weighting:	Not applicable
(j)	Settlement Price:	Italian Securities Reference Price
(k)	Specified Maximum Days of Disruption:	Three (3) Scheduled Trading Days
(l)	Valuation Time:	The Valuation Time will be the time when the Italian Securities Reference Price of the Underlying Share is determined by the Exchange.
(m)	Delayed Redemption on Occurrence of an Extraordinary Event (in the case of Certificates only):	Not applicable
(n)	Share Correction Period	As per Conditions
(o)	Dividend Payment:	Not applicable
(p)	Listing Change:	Not applicable
(q)	Listing Suspension:	Not applicable
(r)	Illiquidity:	Not applicable
(s)	Tender Offer:	Applicable
26.	ETI Securities	Not applicable
27.	Debt Securities:	Not applicable
28.	Commodity Securities:	Not applicable
29.	Inflation Index Securities:	Not applicable
30.	Currency Securities:	Not applicable
31.	Fund Securities:	Not applicable
32.	Futures Securities:	Not applicable
33.	Credit Securities:	Not applicable
34.	Underlying Interest Rate Securities:	Not applicable



- |     |  |  |
|-----|--|--|
| 35. | Preference Share Certificates:         | Not applicable                                       |
| 36. | OET Certificates:                      | Not applicable                                       |
| 37. | Additional Disruption Events:          | Applicable   |
|     |  | Hedging Disruption does not apply to the Securities. |
| 38. | Optional Additional Disruption Events: | Not applicable                                       |
| 39. | Knock-in Event:                        | Not applicable                                       |
| 40. | Knock-out Event:                       | Not applicable                                       |

#### **PROVISIONS RELATING TO WARRANTS**

- |     |                                  |                |
|-----|----------------------------------|----------------|
| 41. | Provisions relating to Warrants: | Not applicable |
|-----|----------------------------------|----------------|

#### **PROVISIONS RELATING TO CERTIFICATES**

- |       |                                      |  |
|-------|--------------------------------------|--|
| 42.   | Provisions relating to Certificates: | Applicable   |
| (a)   | Notional Amount of each Certificate: | EUR 100  |
| (b)   | Partly Paid Certificates:            | The Certificates are not Partly Paid Certificates.   |
| (c)   | Interest:                            | Not applicable   |
| (d)   | Payment of Premium Amount(s):        | Applicable.  |
| (i)   | Premium Amount(s)                    | EUR 6.5  |
| (ii)  | Linked Premium Amount Certificates:  | Not applicable   |
| (iii) | Premium Amount Payment Date(s):      | 13 March 2015 (i=1) and Redemption Date (i=2); provided that if the Premium Amount Payment Date would otherwise fall on a day which is not a Business Day, the Premium Amount Payment Date shall be postponed to the next day which is a Business Day. |
| (iv)  | Premium Amount Record Date(s):       | 9 March 2015 (i=1) and Exercise Date (i=2); provided that if the Premium Amount Record Date would otherwise fall on a day which is not a Business Day, the Premium Amount Record Date shall be postponed to the next day which is a Business Day.      |
| (e)   | Instalment Certificates:             | The Certificates are not Instalment Certificates.  |

(f)	Issuer Call Option:	Not applicable
(g)	Holder Put Option:	Not applicable
(h)	Automatic Early Redemption	Applicable
(i)	Automatic Early Redemption Event:	Standard Automatic Early Redemption: If on any Automatic Early Redemption Valuation Date the Underlying Reference Level of the Share is greater than or equal to the Automatic Early Redemption Level
(ii)	Automatic Early Redemption Payout:	Automatic Early Redemption Payout 1230/1 $[\text{Notional Amount}] \times [100\% + \text{Premium Percentage} \times i]$ <p>Where:</p> <p><b>“Premium Percentage”</b> means 6.50 %;</p> <p><b>“i”</b> means 1.</p>
(iii)	Automatic Early Redemption Date(s):	13 March 2015
(iv)	Observation Price Source:	Exchange
(v)	Underlying Reference Level:	Standard Price Where :
(vi)	Automatic Early Redemption Level:	<b>Automatic Early Redemption Valuation Time</b> means the Valuation Time Strike Price
(vii)	Automatic Early Redemption Percentage:	Not applicable
(viii)	Automatic Early Redemption Percentage Up:	Not applicable
(ix)	Automatic Early Redemption Percentage Down:	Not applicable
(x)	AER Exit Rate:	Not applicable
(xi)	Automatic Early Redemption Valuation	3 March 2015

Date(s)/Period(s):

- |     |                                   |  |
|-----|-----------------------------------|--|
| (i) | Renouncement Notice Cut-off Time: | 10.00 a.m. (Milan time)                    |
| (j) | Strike Date:                      | 3 March 2014                               |
| (k) | Strike Price:                     | See item 12 above.                         |
| (l) | Redemption Valuation Date:        | The Exercise Date                          |
| (m) | Averaging:                        | Averaging does not apply to the Securities |
| (n) | Observation Dates:                | Not applicable                             |
| (o) | Observation Period:               | Not applicable                             |
| (p) | Settlement Business Day:          | Not applicable                             |
| (q) | Cut-off Date:                     | Not applicable                             |

#### **DISTRIBUTION AND US SALES ELIGIBILITY**

- |     |  |   |
|-----|--|---|
| 43. | Selling Restrictions:                            | Not applicable  |
| 44. | Additional U.S. Federal income tax consequences: | Not applicable  |
| 45. | Registered broker/dealer:                        | Not applicable  |
| 46. | TEFRA C or TEFRA Not Applicable:                 | TEFRA Not Applicable  |
| 47. | Non-exempt Offer:                                | An offer of the Securities will be made by the Issuer other than pursuant to Article 3(2) of the Prospectus Directive in Italy through the electronic "Securitized Derivatives Market" ("SeDeX") during the period from and including 17 February 2014 starting from 9:00am until and including 3 March 2014 until 5:25pm subject to early closing in the cases set out in Paragraph 6 of Part B below (the "Offer Period" or the "Distribution Period"). |

General Consent: Not applicable

Other Conditions to consent: Not applicable

#### **PROVISIONS RELATING TO COLLATERAL AND SECURITY**

- |     |                                 |                |
|-----|---------------------------------|----------------|
| 48. | Collateral Security Conditions: | Not applicable |
|-----|---------------------------------|----------------|

**Responsibility**

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge of the Issuer (who has taken all reasonable care to ensure that such is the case), the information contained herein is in accordance with the facts and does not omit anything likely to affect the import of such information.

Signed on behalf of BNP Paribas Arbitrage Issuance B.V.

As Issuer:



Arnaud DELACROIX

By: ..... Duly authorised

## **PART B – OTHER INFORMATION**

### **1. Listing and Admission to trading**

Application has been made for the Securities to be listed on the Italian Stock Exchange and admitted for a distribution phase and subsequent trading on the SeDeX, organised and managed by Borsa Italiana S.p.A. The Securities have already been admitted to listing – preceded by the distribution phase on the SeDeX and the final amount of Securities that are issued on the Issue Date will be admitted to trading on the SeDeX on the date specified by means of a notice of the Italian Stock Exchange.

### **2. Ratings**

The Securities have not been rated.

Issuer's long-term credit ratings are A+ with a negative outlook (Standard & Poor's) and Issuer's short term credit ratings are A-1 (Standard & Poor's).

The rating of the Guarantor is A2 from Moody's and A+ from Standard and Poor's.

As defined by Moody's, an "A" rating means that the obligations of the Issuer and the Guarantor under the Programme are judged to be upper-medium grade and are subject to low credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aaa through Caa. The modifier 2 indicates a mid-range ranking.

As defined by Standard & Poor's, an obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the relevant Issuer and Guarantor's capacity to meet its financial commitment on the obligation is still strong. The addition of a plus (+) or minus (-) sign shows relative standing within the major rating category

Moody's and Standard & Poor's are established in the European Union and are registered under Regulation (EC) No. 1060/2009 (as amended).

### **3. Interests of Natural and Legal Persons Involved in the Offer**

Investors must be informed of the fact that the Distributors (if any), will receive from the Issuer placement fees equal to a maximum amount of 2% of the amount of Securities placed through the same. All placement fees will be paid out upfront by the Issuer.

Investors must also consider that such fees are not included in the price of the Securities on the secondary market and, therefore, if the Securities are sold on the secondary market, fees embedded in the Issue Price will be deducted from the sale price.

No fees will be paid by the Issuer to intermediaries performing the investment services of the collection and transmission of orders or of the mere execution of orders in the context of the distribution of the Securities during the Distribution Period and directly or indirectly connected to the SeDeX through which investors will apply for the Securities.

Save as discussed in the "Potential Conflicts of Interest" paragraph in the "Risk Factors" in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

**4. Performance of Underlying Reference Explanation of Effect on Value of Investment and Associated Risks and Other Information concerning the Underlying Reference**

See the Base Prospectus for an explanation of effect on value of Investment and associated risks in investing in Securities.

Past and further performances of the Underlying Share are available on the relevant Exchange website [www.borsaitaliana.it](http://www.borsaitaliana.it) and its volatility may be obtained at the office of the Calculation Agent by mail to the following address: [prodottidiborsa@bnpparibas.com](mailto:prodottidiborsa@bnpparibas.com).

The Issuer does not intend to provide post-issuance information.

**5. Operational Information**

Relevant Clearing System(s): Monte Titoli

**6. Terms and Conditions of the Public Offer**

Offer Period: From 17 February 2014 to, and including, 3 March 2014 during the SeDeX market's trading hours (*i.e.* from 9:00am until 5:25pm) or such earlier date as the Issuer determines (i) in the case that the Securities are distributed for an amount equal to EUR 10,000,000, and (ii) at any time during the Distribution Period provided that an amount of Securities at least equal to EUR 2,000,000 has been distributed.

In the case of early closure set out under (i) above, the Dealer (as defined below) will cease to display sell orders on the SeDeX market as soon as the Securities have been distributed for an amount of EUR 10,000,000. Following this occurrence, the Issuer will promptly inform the public of the Distribution Period's early closure by means of a notice to be sent to Borsa Italiana and published on the website [www.prodottidiborsa.it](http://www.prodottidiborsa.it).

In the case of early closure set out under (ii) above, the Issuer will inform the public by means of a notice to be sent to Borsa Italiana and published on the website <http://www.prodottidiborsa.com> by 10.30am of

the same Distribution Period's early closure date. In such a case, the Distribution Period will end at 5.25pm of the the Distribution Period's early closure date as indicated in the relevant notice.

The Securities will be placed through door-to-door selling pursuant to Article 30 of the Italian Financial Services Act from (and including) 17 February 2014 to (and including) 24 February 2014 .

Offer Price:

The Issue Price

Conditions to which the offer is subject:

The Offer of the Securities is conditional on their issue.

The Issuer reserves the right to withdraw the Offer and cancel the issuance of the Securities at any time before 7:59am of the second open market day following the last day of the Distribution Period (*i.e.* 5 March 2014) in the case that (i) any extraordinary changes in the economic and politic situation or in the capital, currency and exchange rates markets, either at a national or international level, or (ii) any change, or any development or event involving a prospective change, in the condition (financial or otherwise), business, properties or results of operations of the Issuer and its subsidiaries which, in the judgment of the Issuer, is material and adverse and makes it impractical or inadvisable to proceed with completion of the distribution or the payment for the Securities, will have occurred.

The Issuer will inform the public of the withdrawal of the the Offer and the cancelation of the issuance of the Securities by means of a notice to be sent to Borsa Italiana and published on the website <http://www.prodottidiborsa.com>.

For the avoidance of doubt, if any contract has been entered into on behalf of a potential investor and the Issuer exercises such a right, each such potential investor will not be entitled to receive the relevant Securities.

The Issuer reserves the right to increase the amount of Securities to be issued over EUR 10,000,000 during the Distribution Period but in any case within the open market day before the Distribution Period's closure date. The Issuer will inform the public of the increase of the issuance's size by means of a notice to be sent to Borsa

Italiana and published on the website <http://www.prodottidiborsa.com>. The Issuer will also publish a revised version of these Final Terms including the increased number and amount of Securities to be issued on the website <http://www.prodottidiborsa.com>. In any case, the Dealer will cease to display sell orders on the SeDeX market as soon as the Securities have been distributed for an amount of EUR 10,000,000 and will start again to display sell orders on the SeDeX market at the date and time indicated in the notice relating to the increase of the issuance's size.

The Issuer will determine the final amount of Securities issued up to a limit of EUR 10,000,000 – save as provided above – also depending on the number of the buy orders transmitted to the SeDeX during the Distribution Period.

Description of the application process:

Prospective investors intending to apply for the Securities during the Distribution Period are required to contact their own intermediaries, including the Distributors (if any), for the purpose of transmitting their buy orders – directly or indirectly through the market's participants – to the SeDeX.

BNP Paribas Arbitrage S.N.C.—as the dealer (the “**Dealer**”) will display continuously during the Distribution Period a price equal to the Issue Price for the sale and will display sell orders to match buy orders displayed by the intermediaries connected to the SeDeX and transmitted to them directly or indirectly by investors. Prospective investors will not enter into any contractual arrangements directly with the Issuer in relation to the distribution for the Securities. In fact, the relationship between intermediaries and prospective investors will be regulated by intermediaries' policies applicable to their carrying out investment services *vis-à-vis* their clients, also with reference to expenses/commissions to be borne by prospective investors and information provided to them, including that concerning the withdrawal right (to the extent applicable in case of application made through the Distributors (if any)).

Details of the minimum and/or maximum amount of application:

Minimum amount per buy order: one Certificate (EUR 100). There is no maximum number of buy orders which can be transmitted on behalf of a



single prospective investor. The irrevocable buy orders of Securities that have been transmitted to the SeDeX and caused the relevant contracts be entered into according to the SeDeX's rules within the date and time of the Distribution Period's closure (even early) will be accepted for the entire amount of such contracts, subject to the issue of the Securities up to their maximum amount.

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:

Not applicable

Details of the method and time limits for paying up and delivering the Securities:

The Securities will be issued on the Issue Date against payment to the Issuer by the intermediaries, including the Distributors (if any), directly or indirectly connected to the SeDeX through which prospective investors have transmitted their buy orders of such buy orders' moneys.

The Securities are cleared through Monte Titoli on the Issue Date.

Manner in and date on which results of the offer are to be made public:

Publication by means of a notice to be sent to Borsa Italiana and published on the website <http://www.prodottidiborsa.com> on the Issue Date.

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:

Not applicable

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made:

Each intermediary, including the Distributors (if any), will notify the relevant investors of its Securities in accordance with its own applicable policies and procedures.

Amount of any expenses and taxes specifically charged to the subscriber or purchaser:

The Issuer is not aware of any expenses and taxes specifically charged by the intermediaries, including the Distributors (if any), to the applicant.

See section "Italian Taxation" in the Base Prospectus.

## 7. Placing and Underwriting

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:

None

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer:	Not applicable
Name and address of any paying agents and depository agents in each country (in addition to the Principal Security Agent):	BNP Paribas Securities Services, Milan Branch Via Ansperto 5, 20123, Milano, Italy
Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements:	<p>The Issuer reserves the right to appoint intermediaries to act as distributors during the Distribution Period according to the applicable law (the <b>Distributors</b>).</p> <p>The Distributors will receive from the Issuer placement fees equal to a maximum amount of 2% of the amount of Securities placed through the same. All placement fees will be paid out upfront by the Issuer.</p> <p>No underwriting commitment will be undertaken by the Distributors.</p> <p>BNP Paribas Arbitrage Issuance B.V. will act as <i>Responsabile del Collocamento</i> (as defined under article 93-bis of the Legislative Decree of 24 February 1998, n. 58) in relation to any placement activities carried out by the Distributors (if any) but will not act itself as Distributor and, accordingly, will not place any Securities to the public in Italy.</p> <p>The Dealer is BNP Paribas Arbitrage S.N.C.</p> <p>In the context of the collection of buy orders on behalf of their clients and the direct or indirect transmission of buy orders on behalf of their clients or on their own account for the purpose of transmitting all such orders to the SeDeX, the intermediaries involved in the distribution of the Securities, other than the Distributors (if any), will perform the investment services of the collection and transmission of orders or of the mere execution of orders, as defined by Italian Legislative Decree No. 58/1998 as amended.</p>
When the underwriting agreement has been or will be reached:	Not applicable

**8. Yield (in the case of Certificates)**

Not applicable.

**9. Form of Renouncement Notice**

**RENOUNCEMENT NOTICE**

(to be completed by the Holder of the Security)

**BNP Paribas Arbitrage Issuance B.V.**

**Up to 100,000 Fixed Premium Athena Certificates  
relating to the shares of Unicredit SpA**

**ISIN: NL0010399176**

(the "Securities")

To: **BNP Paribas Securities Services, Milan Branch**

Via Ansperto 5, 20123 Milano, Italy

Fax No: (39) 02 72474 444

We/I the undersigned Holder(s) of the Securities

hereby communicate that we are renouncing the automatic exercise on the Exercise of the rights granted by the Securities in accordance with the Terms and Conditions of the Securities, as amended and/or supplemented by the applicable Final Terms (the "**Security Terms**").

Series No. of the Securities:

Number of Securities the subject of this notice:

The undersigned understands that if this Renouncement Notice is not completed and delivered as provided in the Security Terms or is determined to be incomplete or not in proper form (in the determination of the Italian Security Agent), it will be treated as null and void.

If this Renouncement Notice is subsequently corrected to the satisfaction of the Italian Security Agent, it will be deemed to be a new Renouncement Notice submitted at the time such correction was delivered to the Italian Security Agent.

Expressions defined in the Security Terms shall bear the same meanings in this Renouncement Notice.

Place and date:

Signature of the Holder

Name of beneficial owner of the Securities

Signature

## ISSUE SPECIFIC SUMMARY OF THE PROGRAMME IN RELATION TO THIS BASE PROSPECTUS

*Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for this type of Securities, Issuer and Guarantor. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of Securities, Issuer and Guarantor(s), it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary explaining why it is not applicable.*

### Section A - Introduction and warnings

Element	Title	
A.1	Warning that the summary should be read as an introduction and provision as to claims	<p><b>This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms. In this summary, unless otherwise specified and except as used in the first paragraph of Element D.3, "Base Prospectus" means the Base Prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as supplemented from time to time. In the first paragraph of Element D.3, "Base Prospectus" means the Base Prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013.</b></p> <p><b>Any decision to invest in any Securities should be based on a consideration of the Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms.</b></p> <p><b>Where a claim relating to information contained in the Base Prospectus and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated.</b></p> <p><b>No civil liability will attach to the Issuer or the Guarantor in any such Member State solely on the basis of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus and the applicable Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not provide, when read together with the other parts of the Base Prospectus and the applicable Final Terms, key information (as defined in Article 2.1(s) of the Prospectus Directive) in order to aid investors when considering whether to invest in the Securities.</b></p>

Element	Title	
<b>A.2</b>	Consent as to use the Base Prospectus, period of validity and other conditions attached	<p>The Issuer – acting through the Manager – is the offeror of the Securities.</p> <p>An offer of the Securities will be made by the Issuer other than pursuant to Article 3(2) of the Prospectus Directive in Italy through the electronic “Securitized Derivatives Market” (“<b>SeDeX</b>”) during the period from and including 17 February 2014 starting from 9:00am until and including 3 March 2014 until 5:25pm subject to early closing in the cases set out in Paragraph 6 of Part B below (the “<b>Offer Period</b>” or the “<b>Distribution Period</b>”).</p>

### Section B - Issuer and Guarantor

Element	Title		
B.1	Legal and commercial name of the Issuer	BNP Paribas Arbitrage Issuance B.V. ("BNPP B.V." or the "Issuer").	
B.2	Domicile/ legal form/ legislation/ country of incorporation	The Issuer was incorporated in the Netherlands as a private company with limited liability under Dutch law having its registered office at Herengracht 537, 1017 BV Amsterdam, the Netherlands.	
B.4b	Trend information	Not applicable, there are no trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on BNPP B.V. and the industries in which it operates for at least the current financial year.	
B.5	Description of the Group	BNPP B.V. is a wholly owned subsidiary of BNP Paribas. BNP Paribas is the ultimate holding company of a group of companies and manages financial operations for those subsidiary companies (together the "BNPP Group").	
B.9	Profit forecast or estimate	Not applicable, the Issuer has not made a profit forecast or estimate.	
B.10	Audit report qualifications	Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus.	
B.12	Selected historical key financial information:		
	Comparative Annual Financial Data - In EUR		
		31/12/2011	31/12/2012
	Revenues	317,178	337,955
	Net income, Group share	21,233	22,531
	Total balance sheet	32,347,971,221	37,142,623,335
	Shareholders' equity (Group share)	366,883	389,414

Element	Title																			
	<table><tr><th colspan="3">Comparative Interim Financial Data – In EUR</th></tr><tr><td></td><td>30/06/2012</td><td>30/06/2013</td></tr><tr><td>Revenues</td><td>180,590</td><td>149,051</td></tr><tr><td>Net Income, Group Share</td><td>11,989</td><td>9,831</td></tr><tr><td>Total Balance Sheet</td><td>35,550,297,750</td><td>39,988,616,135</td></tr><tr><td>Shareholder's Equity (Group share)</td><td>378,872</td><td>399,245</td></tr></table>		Comparative Interim Financial Data – In EUR				30/06/2012	30/06/2013	Revenues	180,590	149,051	Net Income, Group Share	11,989	9,831	Total Balance Sheet	35,550,297,750	39,988,616,135	Shareholder's Equity (Group share)	378,872	399,245
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B.13	Events impacting the Issuer's solvency	Not applicable, to the best of the Issuer's knowledge there have not been any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency since 31 December 2012.																		
B.14	Dependence upon other group entities	The Issuer is dependent upon BNPP and other members of the BNPP Group. See also Element B.5 above.																		
B.15	Principal activities	The principal activity of the Issuer is to issue and/or acquire financial instruments of any nature and to enter into related agreements for the account of various entities within the BNPP Group.																		
B.16	Controlling shareholders	BNP Paribas holds 100 per cent. of the share capital of the Issuer.																		
B.17	Solicited credit ratings	BNPP B.V.'s long term credit rating is A+ with a negative outlook (Standard & Poor's Credit Market Services France SAS) and BNPP B.V.'s short term credit ratings are A-1 (Standard & Poor's).  The Securities have not been rated.  A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.																		

Element	Title	
<b>B.18</b>	Description of the Guarantee	<p>The Securities will be unconditionally and irrevocably guaranteed by BNP Paribas ("<b>BNPP</b>" or the "<b>Guarantor</b>") pursuant to an English law deed of guarantee executed by BNPP on 3 June 2013 (the "<b>Guarantee</b>").</p> <p>The obligations under the guarantee are direct unconditional, unsecured and unsubordinated obligations of BNPP and rank and will rank <i>pari passu</i> among themselves and at least <i>pari passu</i> with all other direct, unconditional, unsecured and unsubordinated indebtedness of BNPP (save for statutorily preferred exceptions).</p>
<b>B.19</b>	Information about the Guarantor	
<b>B.19/ B.1</b>	Legal and commercial name of the Guarantor	BNP Paribas
<b>B.19/ B.2</b>	Domicile/ legal form/ legislation/ country of incorporation	The Guarantor was incorporated in France as a <i>société anonyme</i> under French law and licensed as a bank having its head office at 16, boulevard des Italiens – 75009 Paris, France.
<b>B.19/ B.4b</b>	Trend information	<p><b><i>Macroeconomic Conditions.</i></b></p> <p>BNPP's results of operations are affected by the macroeconomic and market environment. Given the nature of its business, BNPP is particularly susceptible to macroeconomic and market conditions in Europe, which have experienced disruptions in recent years.</p> <p>While global economic conditions generally improved over the course of 2012, growth prospects diverge for advanced and developing economies in 2013 and going forward. In the Euro-zone, sovereign spreads came down in 2012 from historically high levels, although uncertainty remains over the solvability of certain sovereigns and the extent to which E.U. member states are willing to provide additional financing.</p> <p><b><i>Legislation and Regulations Applicable to Financial Institutions.</i></b></p> <p>BNPP is affected by legislation and regulations applicable to global financial institutions, which are undergoing significant change in the wake of the global financial crisis. New measures that have been proposed and adopted include more stringent capital and liquidity requirements, taxes on financial transactions, restrictions and taxes on employee compensation, limits on commercial banking activities, restrictions of types of financial products, increased internal control and transparency requirements, more stringent business conduct rules, mandatory reporting and clearing of derivative transactions, requirements to mitigate risks</p>

Element	Title																															
		relating to OTC derivatives and the creation of new and strengthened regulatory bodies. New or proposed measures that affect or will affect BNPP include the Basel 3 and CRD4 prudential frameworks, the related requirements announced by the EBA, the designation of BNPP as a systemically important financial institution by the FSB, the French banking law, the E.U. Liikanen proposal and the Federal Reserve's proposed framework for the regulation of foreign banks.																														
<b>B.19/B.5</b>	Description of the Group	BNPP is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg. It is present in 78 countries and has almost 190,000 employees, including over 145,000 in Europe. BNPP is the parent company of the BNP Paribas Group (the " <b>BNPP Group</b> ").																														
<b>B.19/B.9</b>	Profit forecast or estimate	Not applicable, the Guarantor has not made a profit forecast or estimate.																														
<b>B.19/B.10</b>	Audit report qualifications	Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus																														
<b>B.19/B.12</b>	Selected historical key financial information: <b>Comparative Annual Financial Data - In millions of EUR</b>																															
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<b>Comparative Interim Financial Data for the six month period ended 30 June 2013 - In millions of EUR</b>		
	<b>30/06/2012</b>	<b>30/06/2013</b>
Revenues	19,984	19,972
Cost of risk	(1,798)	(2,087)



Net income, Group share	4,719	3,347
Common Equity Tier 1 Ratio (Basel 2.5)	10.9%	12.2%
Tier 1 Ratio	12.7%	13.6%
Total consolidated balance sheet	1,969,943	1,861,338
Consolidated loans and receivables due from customers	657,441	623,587
Consolidated items due to customers	535,359	554,198
Shareholders' equity (Group share)	81,172	86,136

<b>Comparative Interim Financial Data for the three month period ended 30 September 2013 - In millions of EUR</b>		
	<b>30/09/2012</b>	<b>30/09/2013</b>
Revenues	9,693	9,287
Cost of risk	(944)	(892)
Net income, Group share	1,326	1,358
	<b>31/12/2012</b>	<b>30/09/2013</b>
Common Equity Tier 1 Ratio (Basel 2.5)	11.8%	12.6%
Tier 1 Ratio	13.6%	13.8%
Total consolidated balance sheet	1,907,200	1,855,621
Consolidated loans and receivables due from customers	630,520	610,987
Consolidated items due to customers	539,513	552,547
Shareholders' equity (Group share)	85,444	86,644

1.	<p><i>Statements of no significant or material adverse change</i></p> <p>See Element B.12 above in the case of the BNPP Group.</p> <p>There has been no material adverse change in the prospects of BNPP since 31 December 2012.</p>	
B.19/ B.13	Events impacting the Guarantor's solvency	Not applicable, to the best of the Guarantor's knowledge there have not been any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency since 31 December 2012.
B.19/ B.14	Dependence upon other Group entities	<p>Subject to the following paragraph, BNPP is not dependent upon other members of the BNPP Group.</p> <p>In April 2004, BNPP began outsourcing IT Infrastructure Management Services to the “BNP Paribas Partners for Innovation” (BP<sup>2</sup>I) joint venture set up with IBM France at the end of 2003. BP<sup>2</sup>I provides IT Infrastructure Management Services for BNPP and several BNPP subsidiaries in France, Switzerland, and Italy. In mid-December 2011 BNPP renewed its agreement with IBM France for a period lasting until end-2017. At the end of 2012, the parties entered into an agreement to gradually extend this arrangement to BNP Paribas Fortis as from 2013. BP<sup>2</sup>I is 50/50-owned by BNPP and IBM France; IBM France is responsible for daily operations, with a strong commitment of BNPP as a significant shareholder.</p> <p>See also Element B.5 above.</p>
B.19/ B.15	Principal activities	<p>BNP Paribas holds key positions in its three activities:</p> <ul style="list-style-type: none"> <li>• <b>Retail Banking, which includes:</b> <ul style="list-style-type: none"> <li>• a set of Domestic Markets, comprising: <ul style="list-style-type: none"> <li>• French Retail Banking (FRB),</li> <li>• BNL banca commerciale (BNL bc), Italian retail banking,</li> <li>• Belgian Retail Banking (BRB),</li> <li>• Other Domestic Markets activities, including Luxembourg Retail Banking (LRB);</li> </ul> </li> <li>• International Retail Banking, comprising: <ul style="list-style-type: none"> <li>• Europe-Mediterranean,</li> <li>• BancWest;</li> </ul> </li> <li>• Personal Finance;</li> </ul> </li> <li>• <b>Investment Solutions;</b></li> <li>• <b>Corporate and Investment Banking (CIB).</b></li> </ul>

<b>B.19/ B.16</b>	Controlling shareholders	None of the existing shareholders controls, either directly or indirectly, BNPP. The main shareholders are Société Fédérale de Participations et d'Investissement (SFPI) a <i>public-interest société anonyme</i> (public limited company) acting on behalf of the Belgian government holding 10.3% of the share capital as at 30 June 2013; AXA holding 2.9% of the share capital as at 30 June 2013 and Grand Duchy of Luxembourg holding 1.0% of the share capital as at 30 June 2013. To BNPP's knowledge, no shareholder other than SFPI owns more than 5% of its capital or voting rights.
<b>B.19/ B.17</b>	Solicited credit ratings	BNPP's long term credit ratings are A+ with a negative outlook (Standard & Poor's Credit Market Services France SAS), A2 with a stable outlook (Moody's Investors Service Ltd.) and A+ with a stable outlook (Fitch France S.A.S.).  A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

### Section C – Securities

Element	Title	
<b>C.1</b>	Type and class of Securities/ ISIN	<p>The Securities are certificates ("<b>Certificates</b>") and are issued in Series.</p> <p>The Series Number of the Securities is <b>CE1511UR</b>. The Tranche number is 1.</p> <p>The ISIN is <b>NL0010399176</b></p> <p>The Common Code is <b>102013557</b></p> <p>The Trading Code is <b>P99176</b></p> <p>The Securities are cash settled Securities.</p>
<b>C.2</b>	Currency	The currency of this Series of Securities is Euro (" <b>EUR</b> ").
<b>C.5</b>	Restrictions on free transferability	The Securities will be freely transferable, subject to the offering and selling restrictions in the United States, the European Economic Area, Austria, Belgium, the Czech Republic, France, Germany, Hungary, Ireland, Portugal, Spain, Sweden, the Netherlands, Poland, the United Kingdom, Japan and Australia and under the Prospectus Directive and the laws of any jurisdiction in which the relevant Securities are offered or sold.
<b>C.8</b>	Rights attaching to the Securities	<p>Securities issued under the Programme will have terms and conditions relating to, among other matters:</p> <p><b>Status</b></p> <p>The Certificates are issued on an unsecured basis. Securities issued on an unsecured basis constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank and will rank <i>pari passu</i> among themselves and at least <i>pari passu</i> with all other direct, unconditional, unsecured and unsubordinated indebtedness of the Issuer (save for statutorily preferred exceptions).</p>

Element	Title	
		<p><b>Taxation</b></p> <p>The Holder must pay all taxes, duties and/or expenses arising from the exercise and settlement or redemption of the W&amp;C Securities and/or the delivery or transfer of the Entitlement. The Issuer shall deduct from amounts payable or assets deliverable to Holders certain taxes and expenses not previously deducted from amounts paid or assets delivered to Holders, as the Calculation Agent determines are attributable to the W&amp;C Securities.</p>
		<p><b><i>Negative pledge</i></b></p> <p>The terms of the Securities will not contain a negative pledge provision.</p>
		<p><b><i>Events of Default</i></b></p> <p>The terms of the Securities will not contain events of default.</p>
		<p><b><i>Meetings</i></b></p> <p>The terms of the Securities will contain provisions for calling meetings of holders of such Securities to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p>
		<p><b><i>Governing law</i></b></p> <p>The W&amp;C Securities, the English Law Agency Agreement (as amended or supplemented from time to time), the Related Guarantee in respect of the W&amp;C Securities and any non-contractual obligations arising out of or in connection with the W&amp;C Securities, the English Law Agency Agreement (as amended or supplemented from time to time) and the Guarantee in respect of the W&amp;C Securities will be governed by and shall be construed in accordance with English law.</p>
<b>C.9</b>	Interest/ Redemption	<p><b><i>Interest</i></b></p> <p>The Securities do not bear or pay interest, but pay a premium amount of EUR 6.5 on 13 March 2015 and 10 March 2016.</p> <p><b><i>Redemption</i></b></p> <p>Unless previously redeemed or cancelled, each Security will be redeemed as set out in Element C.18.</p> <p>The Certificates may also be redeemed early on occurrence of an Additional Disruption Event, an Optional Additional Disruption Event, an Extraordinary Event, a Potential Adjustment Event or if performance of the Issuer's obligations under the Securities becomes illegal, or becomes illegal or impractical by reason of force majeure or act of state. The amount payable under the Securities on early redemption will be the fair market value of each Security.</p>

Element	Title	
		<p><b><i>Representative of Securityholders</i></b></p> <p>No representative of the Securityholders has been appointed by the Issuer.</p> <p>Please also refer to item C.8 above for rights attaching to the Securities.</p>
<b>C.10</b>	Derivative component in the interest payment	Not applicable
<b>C.11</b>	Admission to Trading	Application has been made for the Securities to be listed on the Italian Stock Exchange and admitted for a distribution phase and subsequent trading on the SeDeX, organised and managed by Borsa Italiana S.p.A
<b>C.15</b>	How the value of the investment in the derivative securities is affected by the value of the underlying assets	<p>The amount payable on redemption is calculated by reference to the common shares of UniCredit (Reuters code: <b>CRDLMI</b>) (the “<b>Underlying Reference</b>”).</p> <p>See item C.9 above and C.18 below.</p>
<b>C.16</b>	Maturity of the derivative Securities	The Exercise Date of the Securities is 3 March 2016 and the Exercise Settlement Date is 10 March 2016
<b>C.17</b>	Settlement Procedure	<p>This Series of Securities is cash settled.</p> <p>The Issuer does not have the option to vary settlement.</p>
<b>C.18</b>	Return on derivative securities	<p>See Element C.8 above for the rights attaching to the Securities.</p> <p><b><i>Settlement</i></b></p> <p>The Certificates will be automatically exercised on the Exercise Date. Upon automatic exercise each Certificate entitles the Holder to receive on the Exercise Settlement Date a Cash Settlement Amount equal to the Final Payout.</p> <p><b><i>Final Payout</i></b></p> <p><b>ETS Final Payout 1230/1</b></p> <p>(iii) if Settlement Price Final is equal to or greater than the Barrier Level:</p>

Element	Title	
		<p>Notional Amount x (100% + Coupon Percentage) ; or</p> <p>(iv) if Settlement Price Final is less than the Barrier Level:</p> $\text{Notional Amount} \times \frac{\text{Settlement Price Final}}{\text{Strike Price}} + \text{Coupon Percentage}$ <p><b>Description of the Payout</b></p> <p><i>If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Barrier Level, the Payout will equal the Notional Amount plus the Coupon Percentage. Otherwise the Payout will equal the Notional Amount minus the performance of the Underlying Reference plus the Coupon Percentage.</i></p> <p><b>“Notional Amount”</b> means EUR 100;</p> <p><b>“Barrier Level”</b> means 70% x Strike Price;</p> <p><b>“Coupon Percentage”</b> means 0%;</p> <p><b>“Settlement Price”</b> means Italian Securities Reference Price.</p> <p><b>“Settlement Price Final”</b> means the Settlement Price on the Redemption Valuation Date.</p> <p><b>“Italian Securities Reference Price”</b> means the <i>Prezzo di Riferimento</i>, which means, in relation to a Share, the price published by the Italian Stock Exchange at the close of trading and having the meaning ascribed thereto in the Rules of the Market organised and managed by the Italian Stock Exchange, as such Rules may be amended by the Borsa Italiana S.p.a from time to time.</p> <p><b>“Redemption Valuation Date”</b> means the Exercise Date.</p> <p><b>“Strike Date”</b> means 3 March 2014</p> <p><b>Automatic Early Redemption</b></p> <p>If on any Automatic Early Redemption Valuation Date an Automatic Early Redemption Event occurs, the Securities will be redeemed early at the Automatic Early Redemption Amount on the Automatic Early Redemption Date.</p> <p>The Automatic Early Redemption Amount will be an amount equal to:</p> <p>Automatic Early Redemption Payout 1230/1</p> $[\text{Notional Amount}] \times [100\% + \text{Premium Percentage} \times i]$ <p><b>“Notional Amount”</b> means EUR 100;</p> <p><b>“Premium Percentage”</b> means 6.5%;</p> <p><b>“i”</b> means 1.</p>

Element	Title	
		<p><b>“Automatic Early Redemption Event”</b> means that the Underlying Reference Level is greater than or equal to the Automatic Early Redemption Level;</p> <p><b>“Automatic Early Redemption Valuation Date”</b> means 3 March 2015</p> <p><b>“Automatic Early Redemption Date”</b> means 13 March 2015</p> <p><b>“Automatic Early Redemption Level”</b> means the Strike Price;</p> <p><b>"Underlying Reference Level"</b> means the Settlement Price of the Underlying Reference.</p> <p>The above provisions are subject to adjustment as provided in the conditions of the Securities to take into account events in relation to the Underlying Reference or the Securities. This may lead to adjustments being made to the Securities or in some cases the Securities being terminated early at an early redemption amount (see item C.9).</p>
<b>C.19</b>	Final reference price of the Underlying	The final reference price of the underlying will be determined in accordance with the valuation mechanics set out in Element C.9 and C.18 above
<b>C.20</b>	Underlying	The Underlying Reference specified in Element C.9 above. Information on the Underlying Reference can be obtained from the following website <a href="http://www.borsaitaliana.it">www.borsaitaliana.it</a> .

#### Section D – Risks

Element	Title	
<b>D.2</b>	Key risks regarding the Issuer and the Guarantor	<p>There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Securities issued under the Programme and the Guarantor's obligations under the Guarantee</p> <p>Twelve main categories of risk are inherent in BNPP's activities:</p> <ol style="list-style-type: none"> <li>1. Credit Risk;</li> <li>2. Counterparty Risk;</li> <li>3. Securitisation;</li> <li>4. Market Risk;</li> <li>5. Operational Risk</li> <li>6. Compliance and Reputation Risk;</li> <li>7. Concentration Risk</li> </ol>

Element	Title	
		<p>8. Asset-liability management Risk;</p> <p>9. Breakeven Risk;</p> <p>10. Strategy Risk;</p> <p>11. Liquidity and refinancing Risk;</p> <p>12. Insurance subscription Risk.</p> <p>Difficult market and economic conditions could have a material adverse effect on the operating environment for financial institutions and hence on BNPP's financial condition, results of operations and cost of risk.</p> <p>Legislative action and regulatory measures taken in response to the global financial crisis may materially impact BNPP and the financial and economic environment in which it operates.</p> <p>BNPP's access to and cost of funding could be adversely affected by a resurgence of the Euro-zone sovereign debt crisis, worsening economic conditions, further rating downgrades or other factors.</p> <p>A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect BNPP's results of operations and financial condition.</p> <p>BNPP may incur significant losses on its trading and investment activities due to market fluctuations and volatility.</p> <p>BNPP may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns.</p> <p>Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.</p> <p>Significant interest rate changes could adversely affect BNPP's revenues or profitability.</p> <p>The soundness and conduct of other financial institutions and market participants could adversely affect BNPP.</p> <p>BNPP's competitive position could be harmed if its reputation is damaged.</p> <p>An interruption in or a breach of BNPP's information systems may result in lost business and other losses.</p> <p>Unforeseen external events can interrupt BNPP's operations and cause substantial losses and additional costs.</p> <p>BNPP is subject to extensive and evolving regulatory regimes in the countries and regions in which it operates.</p>



Element	Title	
		<p>Notwithstanding BNPP's risk management policies, procedures and methods, it could still be exposed to unidentified or unanticipated risks, which could lead to material losses.</p> <p>BNPP's hedging strategies may not prevent losses.</p> <p>BNPP may experience difficulties integrating acquired companies and may be unable to realise the benefits expected from its acquisitions.</p> <p>Intense competition, especially in France where it has the largest single concentration of its businesses, could adversely affect BNPP's revenues and profitability.</p> <p>The following risk factors relate to BNPP B.V.: BNPP B.V. is an operating company. BNPP B.V.'s sole business is the raising and borrowing of money by issuing securities such as Notes, Warrants or Certificates or other obligations. BNPP B.V. has, and will have, no assets other than hedging agreements (OTC contracts mentioned in the Annual Reports), cash and fees payable to it, or other assets acquired by it, in each case in connection with the issue of securities or entry into other obligations related thereto from time to time. The net proceeds from each issue of Securities issued by the Issuer will become part of the general funds of BNPP B.V. BNPP B.V. uses such proceeds to maintain positions in options or futures contracts or other hedging instruments ("<b>Hedging Agreements</b>") and/or, in the case of Secured Securities, to acquire Collateral Assets. The ability of BNPP B.V. to meet its obligations under Securities issued by it will depend on the receipt by it of payments under the relevant Hedging Agreements. Consequently, Holders of BNPP B.V. Securities will, subject to the provisions of the relevant Guarantee, be exposed to the ability of counterparties in respect of such Hedging Agreements to perform their obligations under such Hedging Agreements. Securities sold in the United States or to U.S. Persons may be subject to transfer restrictions.</p>
<b>D.3</b>	Key risks regarding the Securities	<p>There are certain factors which are material for the purposes of assessing the market risks associated with Securities issued under the Programme, including that:</p> <ul style="list-style-type: none"> <li>- Securities (other than Secured Securities) are unsecured obligations,</li> <li>- the trading price of the Securities is affected by a number of factors including, but not limited to, the price of the relevant Underlying Reference(s), time to expiration or redemption and volatility and such factors mean that the trading price of the Securities may be below the Final Redemption Amount or Cash Settlement Amount or value of the Entitlement,</li> <li>- exposure to the Underlying Reference in many cases will be achieved by the relevant Issuer entering into hedging arrangements and potential investors are exposed to the performance of these hedging arrangements and events that may affect the hedging arrangements and consequently the occurrence of any of these events may affect the value of the Securities,</li> <li>- the occurrence of an additional disruption event or optional additional disruption event may lead to an adjustment to the Securities, cancellation (in the case of</li> </ul>

Element	Title	
		<p>Warrants) or early redemption (in the case of Notes and Certificates) or may result in the amount payable on scheduled redemption being different from the amount expected to be paid at scheduled redemption and consequently the occurrence of an additional disruption event and/or optional additional disruption event may have an adverse effect on the value or liquidity of the Securities,</p> <ul style="list-style-type: none"> <li>- expenses and taxation may be payable in respect of the Securities;</li> <li>- the Securities may be cancelled (in the case of Warrants) or redeemed (in the case of Notes and Certificates) in the case of illegality or impracticability and such cancellation or redemption may result in an investor not realising a return on an investment in the Securities,</li> <li>- the meetings of Holders provisions permit defined majorities to bind all Holders;</li> <li>- any judicial decision or change to an administrative practice or change to English law after the date of the Base Prospectus could materially adversely impact the value of any Securities affected by it;</li> <li>- a reduction in the rating, if any, accorded to outstanding debt securities of the Issuer or Guarantor by a credit rating agency could result in a reduction in the trading value of the Securities;</li> <li>- certain conflicts of interest may arise (see Element E.4 below);</li> <li>- the only means through which a Holder can realise value from the Security prior to its Exercise Date, Maturity Date or Redemption Date, as applicable, is to sell it at its then market price in an available secondary market and that there may be no secondary market for the Securities (which could mean that an investor has to exercise or wait until redemption of the Securities to realise a greater value than its trading value),</li> </ul> <p>In addition, there are specific risks in relation to Securities which are linked to an Underlying Reference (including Hybrid Securities) and an investment in such Securities will entail significant risks not associated with an investment in a conventional debt security. Risk factors in relation to Underlying Reference linked Securities include:</p> <p>exposure to the Shares in that investors are exposed to similar market risks as in a direct equity investment, potential adjustment events, extraordinary events affecting Shares and market disruption and failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities</p> <p>and that the Issuer will not provide post-issuance information in relation to the Underlying Reference.</p> <p>In certain circumstances Holders may lose the entire value of their investment</p>

Element	Title	
<b>D.6</b>	Risk warning	<p>See Element D.3 above.</p> <p>In the event of the insolvency of the Issuer or if it is otherwise unable or unwilling to repay the Securities when repayment falls due, an investor may lose all or part of his investment in the Securities.</p> <p>If the Guarantor is unable or unwilling to meet its obligations under the Guarantee when due, an investor may lose all or part of his investment in the Securities.</p> <p>In addition, investors may lose all or part of their investment in the Securities as a result of the terms and conditions of the Securities.</p>

### Section E - Offer

Element	Title	
<b>E.2b</b>	Reasons for the offer and use of proceeds	The net proceeds from the issue of the Securities will become part of the general funds of the Issuer. Such proceeds may be used to maintain positions in options or futures contracts or other hedging instruments
<b>E.3</b>	Terms and conditions of the offer	<p>This issue of Securities is being offered in a Non-Exempt Offer in Italy.</p> <p>The issue price of the Securities is EUR 100</p>
<b>E.4</b>	Interest of natural and legal persons involved in the issue/offer	Other than as mentioned above, so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the offer, including conflicting interests.
<b>E.7</b>	Expenses charged to the investor by the Issuer or an offeror	No expenses are being charged to an investor by the Issuer.

## NOTA DI SINTESI SPECIFICA PER LA SINGOLA EMISSIONE

*Le note di sintesi sono composte dagli elementi informativi richiesti dalla normativa applicabile noti come "Elementi". Detti Elementi sono numerati nelle sottostanti Sezioni da A ad E (A.1 - E.7). La presente Nota di Sintesi contiene tutti gli Elementi che devono essere inclusi in una nota di sintesi per questo tipo di Titoli, di Emittente e di Garante. Dal momento che taluni Elementi potrebbero non essere richiesti per questa specifica Nota di Sintesi, potrebbero esserci delle mancanze e/o dei salti nella sequenza numerica degli Elementi. Anche se un Elemento potrebbe essere inserito nella Nota di Sintesi in base al tipo di Titoli, di Emittente e di Garante, è possibile che non vi siano informazioni pertinenti da fornire in relazione a detto Elemento. In tal caso, sarà inserita un breve descrizione dell'Elemento in questione unitamente alla specificazione "Non Applicabile".*

### Sezione A - Introduzione e avvertenze

Elemento	Titolo	
A.1	Avvertenza che la nota di sintesi va letta come un'introduzione, e disposizione in merito ai ricorsi	<ul style="list-style-type: none"> <li>La presente Nota di Sintesi dovrebbe essere letta quale <b>introduzione del Prospetto di Base e delle Condizioni Definitive</b>. Nella presente Nota di sintesi, salvo ove diversamente specificato e fatto salvo quanto previsto al primo paragrafo dell'Elemento D.3, "Prospetto di Base" indica il Prospetto di Base di BNPP B.V., BNPP, BP2F, BNPPF e BGL datato 3 giugno 2013 e successive modifiche. Nel primo paragrafo dell'Elemento D.3, "Prospetto di Base" indica il Prospetto di Base di BNPP B.V., BNPP, BP2F, BNPPF e BGL datato 2013.</li> <li>Qualsiasi decisione di investire nei Titoli dovrebbe basarsi sull'esame del presente Prospetto di Base completo, inclusi ogni eventuale documento incorporato mediante riferimento e le Condizioni Definitive.</li> <li>Qualora sia presentato un ricorso dinanzi all'autorità giudiziaria di uno Stato Membro dello Spazio Economico Europeo in merito alle informazioni contenute nel Prospetto di Base e nelle Condizioni Definitive, l'investitore ricorrente potrebbe essere tenuto, a norma del diritto nazionale dello Stato Membro in cui è presentato il ricorso, a sostenere le spese di traduzione del Prospetto di Base e delle Condizioni Definitive prima dell'inizio del procedimento legale.</li> <li>Non sarà attribuita alcuna responsabilità civile all'Emittente o all'eventuale Garante in tale Stato Membro esclusivamente sulla base della presente nota di sintesi, inclusa ogni traduzione della stessa, a meno che essa sia fuorviante, imprecisa o incoerente se letta congiuntamente alle altre parti del presente Prospetto di Base e delle Condizioni Definitive o, a seguito dell'attuazione delle relative disposizioni della Direttiva 2010/73/UE nello Stato Membro del caso, non offra, se letta insieme alle altre parti del Prospetto di Base e delle Condizioni Definitive, le informazioni fondamentali (come definite nell'Articolo 2.1(s) della Direttiva Prospetti) per aiutare gli investitori al momento di valutare</li> </ul>

Elemento	Titolo	
		<b>l'opportunità di investire in tali Titoli.</b>
<b>A.2</b>	Consenso all'utilizzo del Prospetto di Base, periodo di validità e altre condizioni correlate	<p>L'Emittente – che agisce per il tramite del Manager – è l'offerente dei Titoli.</p> <p>L'Emittente effettuerà un'offerta di Titoli in Italia non esente ai sensi dell'Articolo 3(2) della Direttiva Prospetti attraverso il mercato regolamentato telematico dei “<i>Securitised Derivatives</i>” (“<b>SeDeX</b>”) durante il periodo compreso tra le ore 9:00 del 17 febbraio 2014 (incluso) e le ore 17:25 del 3 marzo 2014 (incluso), salvo chiusura anticipata nei casi specificati nel Paragrafo 6 della Parte B sottostante (il “<b>Periodo di Offerta</b>” o il “<b>Periodo di Distribuzione</b>”).</p>

#### Sezione B - Emittenti e Garanti

Elemento	Titolo	
<b>B.1</b>	Denominazione legale e commerciale dell'Emittente	BNP Paribas Arbitrage Issuance B.V. (“ <b>BNPP B.V.</b> ” o l’“ <b>Emittente</b> ”).
<b>B.2</b>	Domicilio/ forma giuridica/ legislazione/ paese di costituzione	L'Emittente è stato costituito in Olanda nella forma di una società a responsabilità limitata ai sensi della legge olandese, con sede legale a Herengracht 537, 1017 BV Amsterdam, Olanda.
<b>B.4b</b>	Informazioni sulle tendenze	Non applicabile: non vi sono tendenze, incertezze, richieste, impegni o fatti noti che potrebbero ragionevolmente avere un effetto significativo su BNPP B.V. e sui settori di attività in cui esso opera, almeno per l'esercizio fiscale in corso.
<b>B.5</b>	Descrizione del Gruppo	BNPP B.V. è una controllata al 100% di BNP Paribas. BNP Paribas è la società holding di un gruppo di società e gestisce le operazioni finanziarie di tali controllate (congiuntamente, il “ <b>Gruppo BNPP</b> ”).
<b>B.9</b>	Previsione o stima degli utili	Non applicabile, l'Emittente non ha effettuato alcuna previsione o stima degli utili.
<b>B.10</b>	Riserve nella relazione dei revisori	Non applicabile, non vi sono riserve in alcuna relazione dei revisori sulle informazioni finanziarie relative agli esercizi passati incluse nel Prospetto di Base.

<b>B.12</b>	Informazioni finanziarie fondamentali selezionate relative agli esercizi passati:																			
	<b>Dati Finanziari Annuali Comparativi - In EUR</b>																			
<table border="1"> <tr> <th colspan="3"><b>Dati Finanziari Infrannuali Comparativi – In EUR</b></th></tr> <tr> <td></td><td><b>30/06/2012</b></td><td><b>30/06/2013</b></td></tr> <tr> <td>Ricavi</td><td>180.590</td><td>149.051</td></tr> <tr> <td>Reddito netto, quota del Gruppo</td><td>11.989</td><td>9.831</td></tr> <tr> <td>Totale bilancio</td><td>35.550.297.750</td><td>39.988.616.135</td></tr> <tr> <td>Patrimonio netto (quota del Gruppo)</td><td>378.872</td><td>399.245</td></tr> </table>			<b>Dati Finanziari Infrannuali Comparativi – In EUR</b>				<b>30/06/2012</b>	<b>30/06/2013</b>	Ricavi	180.590	149.051	Reddito netto, quota del Gruppo	11.989	9.831	Totale bilancio	35.550.297.750	39.988.616.135	Patrimonio netto (quota del Gruppo)	378.872	399.245
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<p><b>Dichiarazioni di cambiamenti significativi o negativi sostanziali</b></p> <p>Non si è verificato alcun cambiamento significativo nella posizione finanziaria o commerciale del Gruppo BNPP dal 30 settembre 2013 e non si sono verificati cambiamenti negativi sostanziali nelle prospettive di BNPP o del Gruppo BNPP dal 31 dicembre 2012.</p> <p>Non si sono verificati cambiamenti significativi nella posizione finanziaria o commerciale del BNPP B.V. dal 31 giugno 2012 e non si sono verificati cambiamenti negativi sostanziali nelle prospettive del BNPP B.V. dal 31 dicembre 2012.</p>																				
<b>B.13</b>	Eventi aventi un impatto sulla solvibilità dell'Emittente	Non applicabile, in quanto alla data del presente Prospetto di Base e per quanto a conoscenza degli Emittenti non si sono verificati eventi recenti sostanzialmente rilevanti per la valutazione della solvibilità di alcuno degli Emittenti dal 31 dicembre 2012.																		
<b>B.14</b>	Dipendenza da altri soggetti del Gruppo	L'Emittente dipende da BNPP e da altri soggetti del Gruppo BNPP.  Si veda anche l'Elemento B.5 che precede.																		
<b>B.15</b>	Principali attività	L'attività principale dell'Emittente consiste nell'emettere e/o acquisire																		

		strumenti finanziari di qualsiasi natura e nello stipulare contratti correlati per conto di vari enti nell'ambito del Gruppo BNPP.
<b>B.16</b>	Azionisti di controllo	BNP Paribas detiene il 100% del capitale sociale di BNPP B.V.
<b>B.17</b>	Rating	<p>I rating del credito a lungo termine di BNPP B.V. è A+ con outlook negativo (Standard &amp; Poor's Credit Market Services France SAS) e il rating del credito a breve termine di BNPP B.V. è A-1 (Standard &amp; Poor's Credit Market Services France SAS).</p> <p>Ai Titoli non è stato assegnato alcun giudizio di rating.</p> <p>Il rating di un titolo non costituisce una raccomandazione ad acquistare, vendere o detenere titoli, e può essere soggetto a sospensione, riduzione o ritiro in qualsiasi momento da parte dell'agenzia di rating che l'ha assegnato.</p>
<b>B.18</b>	Descrizione della Garanzia	<p>I Titoli emessi saranno garantiti incondizionatamente e irrevocabilmente da BNP Paribas ("<b>BNPP</b>" o il "<b>Garante</b>") ai sensi di un atto di garanzia di diritto inglese stipulato da BNPP in data 3 giugno 2013 (la "<b>Garanzia</b>").</p> <p>Le obbligazioni ai sensi della garanzia costituiscono obbligazioni dirette, incondizionate, non garantite e non subordinate di BNPP e hanno e avranno pari priorità tra esse e almeno pari priorità rispetto a ogni altro indebitamento diretto, incondizionato, non garantito e non subordinato di BNPP (salvo per debiti privilegiati per legge).</p>
<b>B.19</b>	Informazioni sui Garanti	
<b>B.19/ B.1</b>	Denominazione legale e commerciale del Garante	BNP Paribas
<b>B.19/ B.2</b>	Domicilio/ forma giuridica / legislazione/ paese di costituzione	Il Garante è stato costituito nella forma di <i>société anonyme</i> (" <i>naamloze vennootschap</i> ") ai sensi della legge francese e ha ottenuto l'autorizzazione a operare quale banca. La sede legale al 16, boulevard des Italiens – 75009 Parigi, Francia.
<b>B.19/ B.4b</b>	Informazioni sulle tendenze	<p><b>Condizioni macroeconomiche</b></p> <p>I risultati operativi di BNPP sono influenzati dal contesto macroeconomico e di mercato. Data la natura della sua attività, BNPP è particolarmente sensibile alle condizioni macroeconomiche e di mercato in Europa, che hanno subito turbative negli ultimi anni.</p>

		<p>Mentre la situazione economica globale è generalmente migliorata nel corso del 2012, le prospettive di crescita divergono per i paesi avanzati e in via di sviluppo nel 2013 e per il futuro. Nella Zona Euro, gli spread sovrani sono scesi nel 2012 da livelli storicamente alti, sebbene permanga un'incertezza quanto alla solvibilità di alcuni sovrani e alla misura in cui gli stati membri dell'UE sono disposti a fornire ulteriori finanziamenti.</p> <p><b><i>Legislazione e regolamenti applicabili alle istituzioni finanziarie</i></b></p> <p>BNPP è influenzata dalla legislazione e dai regolamenti applicabili alle istituzioni finanziarie globali, che stanno subendo modifiche significative sulla scia della crisi finanziaria globale. Nuove misure che sono state proposte e adottate includono requisiti patrimoniali e di liquidità più severi, imposte sulle operazioni finanziarie, restrizioni e tasse sulla remunerazione dei dipendenti, limiti alle attività bancarie commerciali, restrizioni sui tipi di prodotti finanziari, un aumento dei requisiti di trasparenza e di controllo interno, regole di condotta commerciale più severe, rendicontazione e autorizzazione di operazioni su derivati obbligatorie, requisiti di limitazione dei rischi relativi ai derivati fuori Borsa e la costituzione di nuovi e più solidi organi di regolamentazione. Nuove misure o proposte che hanno o che avranno un effetto su BNPP includono i quadri normativi prudenziali di Basilea 3 e CRD4, i requisiti correlati annunciati dall'Autorità Bancaria Europea, la designazione di BNPP quale istituzione finanziaria sistemicamente importante da parte dell'FSB, la legge bancaria francese, la proposta UE in seguito alla relazione Liikanen e la proposta di quadro normativo della Riserva Federale per la regolamentazione delle banche straniere.</p>					
<b>B.19/B.5</b>	Descrizione del Gruppo	BNPP è un <i>leader</i> europeo nei servizi bancari e finanziari e ha quattro mercati bancari retail nazionali in Europa: Belgio, Francia, Italia e Lussemburgo. È presente in 78 paesi e dispone di quasi 190.000 dipendenti, inclusi oltre 145.000 in Europa. BNPP è la controllante del Gruppo BNP Paribas (il “Gruppo BNPP”)					
<b>B.19/B.9</b>	Previsione o stima degli utili	Non applicabile, il Garante non ha effettuato alcuna previsione o stima degli utili.					
<b>B.19/ B.10</b>	Riserve nella relazione dei revisori	Non applicabile, non vi sono riserve in alcuna relazione dei revisori sulle informazioni finanziarie relative agli esercizi passati incluse nel Prospetto di Base.					
<b>B.19/ B.12</b>	Informazioni finanziarie fondamentali selezionate relative agli esercizi passati:						
	<b>Dati Finanziari Annuali Comparativi - In milioni di EUR</b>						
		<table> <tr> <th></th><th>31/12/2011</th><th>31/12/2012</th></tr> <tr> <td>Ricavi</td><td>42.384</td><td>39.072</td></tr> </table>		31/12/2011	31/12/2012	Ricavi	42.384
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Ricavi	42.384	39.072					



	Costo del rischio	(6.797)	(3.941)
	Reddito netto, quota del Gruppo	6.050	6.564
	<i>Common Equity Tier 1 Ratio (Basilea 2,5)</i>	9,6%	11,8%
	<i>Tier 1 Ratio</i>	11,6%	13,6%
	Totale bilancio consolidato	1.965.283	1.907.200
	Crediti verso clienti e finanziamenti consolidati	665.834	630.520
	Voci consolidate di debito verso clienti	546.284	539.513
	Patrimonio netto (quota del Gruppo)	75.370	85.444

**Dati Finanziari Infrannuali Comparativi per il semestre terminato il 30 giugno 2013 - In milioni di EUR**

	<b>30/06/2012</b>	<b>30/06/2013</b>
Ricavi	19.984	19.972
Costo del rischio	(1.798)	(2.087)
Reddito netto, quota del Gruppo	4.719	3.347
<i>Common Equity Tier 1 Ratio (Basilea 2,5)</i>	10,9%	12,2%
<i>Tier 1 Ratio</i>	12,7%	13,6%
Totale bilancio consolidato	1.969.943	1.861.338
Crediti verso clienti e finanziamenti consolidati	657.441	623.587
Voci consolidate di debito verso clienti	535.359	554.198
Patrimonio netto (quota del Gruppo)	81.721	86.136

**Dati Finanziari Infrannuali Comparativi per il periodo di tre mesi terminato il 30 settembre 2013- In milioni di EUR**

	<b>30/09/2012</b>	<b>30/09/2013</b>
Ricavi	9.693	9.287

Costo del rischio	(944)	(892)
Reddito netto, quota del Gruppo	1.326	1.358
	<b>31/12/2012</b>	<b>30/09/2013</b>
Common Equity Tier 1 Ratio (Basilea 2,5)	11,8%	12,6%
Tier 1 Ratio	13,6%	13,8%
Totale bilancio consolidato	1.907.200	1.855.621
Crediti verso clienti e finanziamenti consolidati	630.520	610.987
Voci consolidate di debito verso clienti	539.513	552.547
Patrimonio netto (quota del Gruppo)	85.444	86.644

	<p><b><i>Dichiarazioni di assenza di cambiamenti significativi o negativi sostanziali</i></b></p> <p>Si veda l'Elemento B.12 che precede nel caso del Gruppo BNPP.</p> <p>Non si sono verificati cambiamenti negativi sostanziali nelle prospettive di BNPP dal 31 dicembre 2012.</p>	
<b>B.19/ B.13</b>	Eventi aventi un impatto sulla solvibilità del Garante	Non applicabile, per quanto a conoscenza del Garante non si sono verificati eventi sostanzialmente rilevanti per la valutazione della solvibilità del Garante dal 31 dicembre 2012.
<b>B.19/ B.14</b>	Dipendenza da altri soggetti del Gruppo	<p>Salvo quanto previsto dal seguente paragrafo, BNPP non è dipendente da altri membri del Gruppo BNPP.</p> <p>Nell'aprile 2004, BNPP ha iniziato l'esternalizzazione dei Servizi di Gestione delle Infrastrutture IT all'associazione in partecipazione "BNP Paribas Partners for Innovation" (<b>BP<sup>2</sup>I</b>) costituita con IBM France alla fine del 2003. BP<sup>2</sup>I fornisce Servizi di Gestione delle Infrastrutture IT a BNPP e a varie controllate di BNPP in Francia, Svizzera e Italia. A metà dicembre 2011,</p>

		<p>BNPP ha rinnovato il suo contratto con IBM France fino alla fine del 2017. Alla fine del 2012, le parti hanno stipulato un contratto per estendere progressivamente questo accordo a BNP Paribas Fortis a partire dal 2013. BP<sup>2</sup>I è controllata al 50% da BNPP e al 50% da IBM France; IBM France è responsabile delle operazioni quotidiane, con un forte impegno di BNPP quale importante azionista.</p> <p>Si veda anche l'Elemento B.5 che precede.</p>
<b>B.19/ B.15</b>	Principali attività	<p>BNP Paribas detiene posizioni importanti nelle sue tre attività:</p> <ul style="list-style-type: none"> <li>• <b>Retail Banking, che comprende:</b> <ul style="list-style-type: none"> <li>• una serie di Mercati Nazionali, inclusi: <ul style="list-style-type: none"> <li>• French Retail Banking (FRB),</li> <li>• BNL banca commerciale (BNL bc), l'attività bancaria retail italiana,</li> <li>• Belgian Retail Banking (BRB),</li> <li>• Attività di Altri Mercati Nazionali, tra cui Luxembourg Retail Banking (LRB);</li> </ul> </li> <li>• International Retail Banking, che include: <ul style="list-style-type: none"> <li>• Europe-Mediterranean,</li> <li>• BancWest;</li> <li>• Personal Finance;</li> </ul> </li> </ul> </li> <li>• <b>Investment Solutions;</b></li> <li>• <b>Corporate and Investment Banking (CIB).</b></li> </ul>
<b>B.19/ B.16</b>	Azionisti di controllo	<p>Nessuno degli azionisti esistenti controlla, direttamente o indirettamente, BNPP. Gli azionisti principali sono Société Fédérale de Participations et d'Investissement (SFPI), una società per azioni di interesse pubblico che agisce per conto del Governo belga, che detiene il 10,3% del capitale sociale al 30 giugno 2013; AXA, che detiene il 2,9% del capitale sociale al 30 giugno 2013, e il Granducato di Lussemburgo, che detiene l'1,0% del capitale sociale al 30 giugno 2013. Per quanto a conoscenza di BNPP, nessun azionista diverso da SFPI detiene più del 5% del suo capitale o dei suoi diritti di voto.</p>
<b>B.19/ B.17</b>	Rating	<p>I rating del credito a lungo termine di BNPP sono A+ con outlook negativo (Standard &amp; Poor's Credit Market Services France SAS), A2 con outlook stabile (Moody's Investors Service Ltd.) e A+ con outlook stabile (Fitch France S.A.S.)</p>

		Il rating di un titolo non costituisce una raccomandazione ad acquistare, vendere o detenere titoli, e può essere soggetto a sospensione, riduzione o ritiro in qualsiasi momento da parte dell'agenzia di rating che l'ha assegnato.
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### Sezione C – Titoli

Elemento	Titolo	
<b>C.1</b>	Tipo e classe di Titoli/ISIN	<p>I Titoli sono certificates (i“<b><i>Certificates</i></b>”) e sono emessi in Serie.</p> <p>Il Numero di Serie dei Titoli è <b>CE1511UR</b>. Il numero della Tranche è 1.</p> <p>Il codice ISIN è <b>NL0010399176</b></p> <p>Il <i>Common Code</i> è <b>102013557</b></p> <p>Il Codice di Negoziazione è <b>P99176</b></p> <p>I Titoli sono Titoli Regolati in Contanti.</p>
<b>C.2</b>	Valuta	La valuta della presente Serie di Titoli è l'Euro ( <b>EURO</b> ).
<b>C.5</b>	Restrizioni alla libera trasferibilità	I Titoli saranno liberamente trasferibili, fatte salve le restrizioni all'offerta e alla vendita negli Stati Uniti, nello Spazio Economico Europeo, in Austria, in Belgio, nella Repubblica Ceca, in Francia, in Germania, in Ungheria, in Irlanda, in Portogallo, in Spagna, in Svezia, nella Repubblica italiana, nei Paesi Bassi, in Polonia, nel Regno Unito, in Giappone e in Australia e ai sensi della Direttiva sui Prospetti e delle leggi di ogni giurisdizione in cui i relativi Titoli sono offerti o venduti.
<b>C.8</b>	Diritti connessi ai Titoli	<p>I Titoli emessi ai sensi del Programma avranno termini e condizioni relativi, tra l'altro, a:</p> <p><b><i>Status</i></b></p> <p>I Titoli sono emessi su base non garantita. I Titoli emessi su base non garantita costituiscono obbligazioni dirette, incondizionate, non garantite e non subordinate dell'Emittente e hanno e avranno pari priorità tra esse e almeno pari priorità rispetto a ogni altro debito diretto, incondizionato, non garantito e non subordinato dell'Emittente (salvo per debiti privilegiati per legge).</p>
		<p><b>Tassazione</b></p> <p>Il Portatore deve pagare tutte le tasse, imposte e/o spese derivanti dall'esercizio e dal regolamento o rimborso dei Titoli W&amp;C e/o dalla consegna o dalla cessione del Diritto Spettante. L'Emittente detrairà dagli importi pagabili o dai beni consegnabili ai Portatori le tasse e spese non previamente detratte da importi pagati o da beni consegnati ai Portatori che l'Agente per il Calcolo determini essere attribuibili ai Titoli W&amp;C.</p>
		<p><b><i>Divieto di costituzione di garanzie reali (negative pledge)</i></b></p> <p>I termini dei Titoli non conterranno alcuna clausola di divieto di costituzione di garanzie reali.</p>
		<b><i>Eventi di Inadempimento</i></b>

Elemento	Titolo	
		I termini dei Titoli non conterranno eventi di inadempimento.
		<p><b>Assemblee</b></p> <p>I termini dei Titoli conterranno disposizioni per la convocazione di assemblee dei portatori di tali Titoli per valutare questioni aventi un impatto sui loro interessi in generale. Tali disposizioni consentono a maggioranze definite di vincolare tutti i portatori, inclusi i portatori che non abbiano partecipato e votato all'assemblea del caso e i titolari che abbiano votato in maniera contraria alla maggioranza.</p>
		<p><b>Legge applicabile</b></p> <p>I Titoli W&amp;C, l'Accordo di Agenzia di diritto inglese (e sue successive modifiche e integrazioni), la Garanzia correlata in relazione ai Titoli W&amp;C e ogni obbligazione non contrattuale derivante da o in relazione ai Titoli W&amp;C, l'Accordo di Agenzia di diritto inglese (e sue successive modifiche e integrazioni) e la Garanzia in relazione ai Titoli W&amp;C saranno disciplinati dalla legge inglese e dovranno essere interpretati alla stregua della stessa.</p>
<b>C.9</b>	Interessi/ Rimborso	<p><b>Interessi</b></p> <p>I Titoli non maturano e non pagano interessi, ma pagano un importo premio di EUR 6.5 il 13 marzo 2015 e il 10 marzo 2016</p> <p><b>Liquidazione</b></p> <p>A meno che sia già stato liquidato o annullato, ciascun Titolo sarà liquidato come indicato nell'Elemento C.18.</p> <p>I <i>Certificates</i> possono essere liquidati anticipatamente al verificarsi di un Evento di Turbativa Aggiuntivo, un Evento di Turbativa Aggiuntivo Opzionale, un Evento Straordinario, un Evento di Rettifica Potenziale o se l'adempimento delle obbligazioni dell'Emittente ai sensi dei Titoli diventa contraria alla legge o impossibile per motivi di forza maggiore o per legge. L'importo pagabile ai sensi dei Titoli in caso di liquidazione anticipata sarà pari al valore di mercato di ciascun Titolo</p> <p><b>Rappresentante dei Portatori dei Titoli</b></p> <p>L'Emittente non ha nominato alcun Rappresentante dei Portatori dei Titoli.</p> <p>Si veda anche l'Elemento C.8 che precede per quanto riguarda i diritti connessi ai Titoli.</p>
<b>C.10</b>	Componente derivata per quanto riguarda il pagamento degli interessi	Non applicabile.
<b>C.11</b>	Ammissione	È stata presentata richiesta di ammissione alla quotazione dei Titoli su Borsa Italiana

Elemento	Titolo	
	alla negoziazione	ai fini della loro distribuzione e successiva ammissione alle negoziazioni sul mercato SeDeX, organizzato e gestito da Borsa Italiana S.p.A.
<b>C.15</b>	Come il valore dell'investimento o in titoli derivati è influenzato dal valore degli strumenti sottostanti	L'eventuale importo pagabile al momento del rimborso è calcolato con riferimento alle azioni ordinarie di UniCredit (codice Reuters: CRDI.MI) (il " <b>Sottostante di Riferimento</b> "). Si veda l'Elemento C.9 che precede e l'Elemento C.18 che segue.
<b>C.16</b>	Scadenza dei titoli derivati	La Data di Esercizio dei Titoli è il 3 marzo 2016 e la Data di Liquidazione è il 10 marzo 2016
<b>C.17</b>	Procedura di Regolamento	I Titoli sono regolati in contanti.  L'Emittente non può modificare il regolamento.
<b>C.18</b>	Rendimento degli strumenti derivati	<p>Si veda l'Elemento C.8 che precede per i diritti connessi ai Titoli.</p> <p><b>Regolamento</b></p> <p>I <i>Certificates</i> saranno esercitati automaticamente alla Data di esercizio. Al momento dell'esercizio automatico ogni <i>Certificate</i> dà diritto al Portatore di ricevere alla Data di Liquidazione un Importo di Liquidazione in Contanti pari al <i>Payout</i> Finale.</p> <p><b>Payout Finale ETS 1230/1:</b></p> <p>(i) qualora il Prezzo di Regolamento Finale sia pari o superiore al Livello Barriera:</p> <p style="padding-left: 40px;">Importo Nominale x (100% + Percentuale del Coupon) ; ovvero</p> <p>(a) qualora il Prezzo di Regolamento Finale sia inferiore al Livello Barriera:</p> <p style="padding-left: 40px;">Importo Nominale x <math>\frac{\text{Prezzo di Regolamento Finale}}{\text{Prezzo di Strike}}</math> + Percentuale del Coupon .]</p> <p><b>Descrizione del Payout:</b></p> <p><i>Qualora il Prezzo di Regolamento del Sottostante di Riferimento alla Data di Valutazione sia uguale o maggiore al Livello Barriera, il Payout sarà uguale all'Importo Nominale più la Percentuale del Coupon. Altrimenti il Payout sarà uguale all'Importo Nominale meno la performance del Sottostante di Riferimento più la Percentuale del Coupon.</i></p> <p><b>"Importo Nominale "</b> significa EURO 100;</p> <p><b>"Livello Barriera "</b> significa 70% x Prezzo di Strike</p> <p><b>"Percentuale del Coupon"</b> significa 0%.</p> <p><b>"Prezzo di Liquidazione"</b> significa il Prezzo di Riferimento dei Titoli Italiani.</p>

Elemento	Titolo	
		<p><b>"Prezzo Finale di Liquidazione"</b> significa il Prezzo di Liquidazione alla Data di Valutazione.</p> <p><b>"Prezzo di Riferimento dei Titoli Italiani "</b> significa il <i>Prezzo di Riferimento</i>, ovvero, in relazione ad una Azione, il prezzo pubblicato dalla Borsa Italiana a chiusura delle negoziazioni e avente il significato ad esso attribuito ai sensi del Regolamento dei Mercati organizzati e gestiti da Borsa Italiana, come di volta in volta modificato da Borsa Italiana.</p> <p><b>"Data di Valutazione della Liquidazione"</b> significa la Data di Esercizio.</p> <p><b>"Data di Strike"</b> significa il 3 marzo 2014</p> <p><b><i>Liquidazione Anticipata Automatica</i></b></p> <p>Qualora a una Data di Valutazione della Liquidazione Anticipata Automatica si verifichi un Evento di Liquidazione Anticipata Automatica, i Titoli saranno liquidati anticipatamente all'Importo di Liquidazione Anticipata Automatica alla Data di Liquidazione Anticipata Automatica</p> <p>L'Importo di Liquidazione Anticipata Automatica sarà un importo pari a:</p> <p><b>Payout di Liquidazione Anticipata Automatica 1230/1</b></p> $[\text{Importo Nominale}] \times [100\% + \text{Percentuale Premio} \times i]$ <p><b>"Importo Nominale "</b> significa EURO 100;</p> <p><b>"Percentuale Premio"</b> significa 6.5%</p> <p><b>"i"</b> significa 1</p> <p><b>"Evento di Liquidazione Anticipata Automatica"</b> significa il Livello del Sottostante di Riferimento è superiore o pari al Livello di Liquidazione Anticipata Automatica;</p> <p><b>"Data di Valutazione della Liquidazione Anticipata Automatica"</b> significa 3 marzo 2015</p> <p><b>"Data di Liquidazione Anticipata Automatica"</b> significa 13 marzo 2015</p> <p><b>"Livello di Liquidazione Anticipata Automatica"</b> significa il Prezzo di Strike;</p> <p><b>"Livello del Sottostante di Riferimento"</b> significa il Prezzo di Liquidazione di Sottostante di Riferimento.</p> <p>Le previsioni di cui sopra sono soggette a rettifiche secondo quanto previsto nelle condizioni dei Titoli al fine di tenere in considerazione eventi in relazione al Sottostante di Riferimento o ai Titoli. Questo potrebbe comportare degli aggiustamenti dei Titoli, o in alcuni casi, la liquidazione anticipata dei Titoli all'importo di liquidazione anticipata (si veda l'Elemento C.9).</p>

Elemento	Titolo	
<b>C.19</b>	Prezzo di riferimento finale del Sottostante	Il prezzo di riferimento finale del sottostante sarà determinato in conformità ai meccanismi di valutazione indicati nell'Elemento C.9 e nell'Elemento C.18 che precede.
<b>C.20</b>	Sottostante di Riferimento	Il Sottostante di Riferimento indicato all'Elemento C.9. Informazioni sul Sottostante di Riferimento possono essere ottenute da <a href="http://www.borsaitaliana.it">www.borsaitaliana.it</a> .

#### Sezione D - Rischi

Elemento	Titolo	
<b>D.2</b>	Rischi fondamentali relativi agli Emittenti e ai Garanti	<p>Vi sono certi fattori che possono avere un impatto sulla capacità dell'Emittente di adempiere le proprie obbligazioni ai sensi dei Titoli emessi ai sensi del Programma e, se del caso, le obbligazioni del Garante ai sensi della Garanzia.</p> <p>Dodici categorie principali di rischio sono inerenti alle attività di BNPP:</p> <ul style="list-style-type: none"> <li>(a) Rischio di Credito;</li> <li>(b) Rischio di Controparte;</li> <li>(c) Cartolarizzazione;</li> <li>(d) Rischio di Mercato;</li> <li>(e) Rischio Operativo;</li> <li>(f) Rischio di <i>Compliance</i> e Rischio Reputazionale;</li> <li>(g) Rischio di Concentrazione;</li> <li>(h) Rischio di Gestione Patrimoniale;</li> <li>(i) Rischio di Break-even;</li> <li>(j) Rischio di Strategia;</li> <li>(k) Rischio di liquidità e di rifinanziamento;</li> <li>(l) Rischio di sottoscrizione di assicurazione;</li> </ul> <p>Le difficili condizioni di mercato ed economiche difficili potrebbero avere un effetto sostanzialmente pregiudizievole sul contesto operativo per le istituzioni finanziarie e quindi sulla situazione finanziaria, sui risultati operativi e sul costo del rischio di BNPP.</p> <p>Gli interventi legislativi e le misure di regolamentazione adottate in risposta alla crisi finanziaria globale potrebbero avere un impatto significativo su BNPP e sul contesto finanziario ed economico in cui opera.</p>



Elemento	Titolo	
		<p>La possibilità di BNPP di accedere al, nonché il costo del, <i>funding</i> potrebbero risentire di un ritorno della crisi del debito sovrano della Zona Euro, del peggioramento delle condizioni economiche, di ulteriori riduzioni dei rating o di altri fattori.</p> <p>Un aumento sostanziale dei nuovi accantonamenti o un ammanco nel livello degli accantonamenti precedentemente registrati potrebbero avere un impatto negativo sui risultati operativi e sulla situazione finanziaria di BNPP.</p> <p>BNPP potrebbe subire perdite significative sulle sue attività di negoziazione e di investimento a causa di oscillazioni e della volatilità del mercato.</p> <p>BNPP potrebbe generare ricavi inferiori dalle sue attività di intermediazione e altre attività basate su commissioni e provvigioni durante periodi di crisi dei mercati.</p> <p>Il protrarsi della discesa dei mercati può ridurre la liquidità dei mercati, rendendo più difficile vendere attività e conducendo potenzialmente a perdite significative.</p> <p>Mutamenti significativi dei tassi d'interesse potrebbero avere un impatto negativo sui ricavi o sulla redditività di BNPP.</p> <p>La solidità e la condotta di altre istituzioni finanziarie e partecipanti del mercato potrebbero avere un impatto negativo su BNPP.</p> <p>La posizione competitiva di BNPP potrebbe essere pregiudicata qualora la reputazione di BNPP sia danneggiata.</p> <p>Una interruzione o violazione dei sistemi informativi di BNPP potrebbe avere come conseguenza una perdita di lavoro e altre perdite.</p> <p>Eventi esterni imprevedibili possono interrompere le attività di BNPP e causare perdite significative e costi aggiuntivi.</p> <p>BNPP è soggetta a regimi di estesa regolamentazione in continua evoluzione nei paesi e nelle regioni in cui opera.</p> <p>Malgrado le politiche, procedure e modalità di gestione dei rischi di BNPP, la stessa potrebbe ancora essere esposta a rischi non identificati o imprevedibili, che potrebbero causare perdite significative.</p> <p>Le strategie di copertura di BNPP potrebbero non impedire perdite.</p> <p>BNPP potrebbe incontrare difficoltà nell'integrare le società acquisite e potrebbe non essere in grado di realizzare i benefici attesi dalle sue acquisizioni.</p> <p>La forte concorrenza, particolarmente in Francia dove BNPP detiene la più grande concentrazione di attività, potrebbe avere un impatto negativo sui</p>

Elemento	Titolo	
		<p>ricavi e sulla redditività di BNPP.</p> <p>I seguenti fattori di rischio riguardano BNPP B.V.: BNPP B.V. è una società operativa. L'unica attività di BNPP B.V. consiste nel raccogliere in prestito liquidità emettendo strumenti finanziari come Notes, Warrant, <i>Certificates</i> o altre obbligazioni. BNPP B.V. non ha e non avrà <i>assets</i> al di fuori degli accordi di copertura (contratti OTC menzionati negli <i>Annual Reports</i>), contanti e commissioni pagabili alla stessa, o altre attività acquisite dalla stessa, in ciascun caso in relazione all'emissione di titoli o alla assunzione di altre obbligazioni agli stessi relative di volta in volta. I proventi netti di ciascuna emissione di Titoli emessi dall'Emittente diventeranno parte dei fondi generali di BNPP B.V.. BNPP B.V. utilizza tali proventi per mantenere posizioni in contratti di opzione o <i>futures</i> o altri strumenti di copertura ("Accordi di Copertura") e/o, nel caso di Titoli Garantiti, per acquistare Beni di Garanzia. La capacità di BNPP B.V. di adempiere le sue obbligazioni ai sensi dei Titoli emessi dalla stessa dipenderà dal ricevimento da parte della stessa di pagamenti ai sensi dei relativi Accordi di Copertura. Pertanto, i Portatori di Titoli di BNPP B.V. saranno esposti, fatte salve le disposizioni della relativa Garanzia, alla capacità delle controparti in relazione a tali Accordi di Copertura di adempiere le proprie obbligazioni ai sensi dei predetti accordi.</p>
<b>D.3</b>	Rischi chiave relativi ai Titoli	<p>Esistono certi fattori che sono rilevanti ai fini della valutazione dei rischi di mercato associati ai Titoli emessi ai sensi del Programma, questi comprendono quanto segue:</p> <ul style="list-style-type: none"> <li>- i Titoli (esclusi i Titoli Garantiti) sono obbligazioni non garantite;</li> <li>- il prezzo di negoziazione dei Titoli è influenzato da vari fattori, tra cui, a mero titolo esemplificativo, il prezzo del o dei relativi Sottostanti di Riferimento, il periodo di tempo residuo prima della scadenza o della liquidazione e la volatilità, e tali fattori implicano che il prezzo di negoziazione dei Titoli può essere inferiore all'Importo di Liquidazione Finale o all'Importo di Regolamento in Contanti o al valore del Diritto Spettante</li> <li>- l'esposizione al Sottostante di Riferimento in molti casi sarà realizzata tramite la stipula da parte del relativo Emittente di accordi di copertura e i potenziali investitori sono esposti all'andamento di questi accordi di copertura e ad eventi che possono avere un effetto sugli accordi di copertura e, di conseguenza, il verificarsi di uno di questi eventi può avere un effetto sul valore dei Titoli;</li> <li>- il verificarsi di un ulteriore evento di turbativa o di un evento di turbativa ulteriore opzionale può portare a una rettifica dei Titoli, a un annullamento (nel caso di Warrant) o a una liquidazione anticipata (nel caso di Notes e di Certificates) o può avere come conseguenza una differenza tra l'importo pagabile al momento della liquidazione programmata e l'importo che si prevede sia pagato al momento della liquidazione programmata e, di</li> </ul>

Elemento	Titolo	
		<p>conseguenza, il verificarsi di un evento di turbativa ulteriore e/o di un evento di turbativa ulteriore opzionale può avere un effetto pregiudizievole sul valore o sulla liquidità dei Titoli</p> <ul style="list-style-type: none"> <li>- potrebbero essere pagabili spese e tasse in relazione ai Titoli;</li> <li>- i Titoli potrebbero essere annullati (nel caso di Warrant) o liquidati (nel caso di Notes e di Certificates) nel caso di illegalità o impossibilità, e tale annullamento o liquidazione potrebbe avere come conseguenza il fatto che un investitore non realizzi un ritorno su un investimento nei Titoli</li> <li>- una decisione giudiziaria o un mutamento di una prassi amministrativa o una modifica della legge inglese dopo la data del Prospetto di Base potrebbero avere un impatto sostanzialmente pregiudizievole sul valore dei Titoli da essi influenzati;</li> <li>- un abbassamento dell'eventuale rating assegnato a titoli di debito in essere dell'Emittente o del Garante da parte di un'agenzia di rating potrebbe causare una riduzione del valore di negoziazione dei Titoli;</li> <li>- potrebbero sorgere certi conflitti di interessi (si veda l'Elemento E.4 che segue);</li> <li>- il solo modo per un Portatore di realizzare valore da un Titolo prima della sua Data di Esercizio, Data di Scadenza o Data di Liquidazione, a seconda dei casi, consiste nel vendere tale Titolo al suo prezzo di mercato allora corrente in un mercato secondario disponibile e potrebbe non esservi alcun mercato secondario per i Titoli (nel qual caso un investitore dovrebbe esercitare o aspettare fino alla liquidazione dei Titoli per realizzare un valore superiore al valore di negoziazione)</li> </ul> <p>Inoltre, esistono rischi specifici in relazione ai Titoli che sono legati a un Sottostante di Riferimento (inclusi Titoli Ibridi) e un investimento in tali Titoli comporterà rischi significativi non associati a un investimento in un titolo di debito tradizionale. I fattori di rischio relativi ai Titoli Legati a un Sottostante di Riferimento includono:</p> <p>l'esposizione alle Azioni che comporta l'esposizione per gli investitori a rischi di mercato simili a quelli di un investimento diretto in capitale azionario, eventi di rettifica potenziali, eventi straordinari aventi un effetto sulle Azioni ed eventi di turbativa del mercato o la mancata apertura di una borsa, che potrebbero avere un effetto negativo sul valore e sulla liquidità dei Titoli;</p> <p>e il rischio che l'Emittente non fornisca informazioni poste-emissione in relazione al Sottostante di Riferimento</p> <p>In certe circostanze i Portatori potrebbero perdere l'intero valore del loro investimento.</p>
D.6	Avvertenza	Si veda l'Elemento D.3 che precede.

<b>Elemento</b>	<b>Titolo</b>	
	relativa ai rischi	<p>Nel caso di insolvenza di un Emittente o qualora lo stesso non sia altrimenti in grado di, o disposto a, rimborsare i Titoli alla scadenza, un investitore potrebbe perdere tutto o parte del suo investimento nei Titoli.</p> <p>Qualora il Garante non sia in grado di, o non sia disposto a, adempiere le proprie obbligazioni ai sensi della Garanzia dovute alla scadenza, un investitore potrebbe perdere tutto o parte del suo investimento nei Titoli.</p> <p>Inoltre, gli investitori potrebbero perdere tutto o parte del loro investimento nei Titoli in conseguenza dei termini e condizioni dei Titoli stessi.</p>

### Sezione E - Offerta

<b>Elemento</b>	<b>Titolo</b>	
<b>E.2b</b>	Ragioni dell'offerta e utilizzo dei proventi	I proventi netti dell'emissione dei Titoli andranno a far parte dei fondi generali dell'Emittente. Tali proventi potranno essere utilizzati per mantenere posizioni in contratti di opzioni o di <i>future</i> o altri strumenti di copertura
<b>E.3</b>	Termini e condizioni dell'offerta	<p>L'emissione di Titoli è effettuata in Italia come Offerta Non Esente.</p> <p>Il prezzo di emissione dei Titoli è pari a EUR 100.</p>
<b>E.4</b>	Interesse di persone fisiche e giuridiche coinvolte nell'emissione / offerta	Fatto salvo quanto sopra menzionato, nessun soggetto coinvolto nell'emissione dei Titoli ha un interesse sostanziale nell'offerta, inclusi conflitti di interessi.
<b>E.7</b>	Spese addebitate all'investitore dall'Emittente o da un offerente	Nessuna spesa sarà addebitata ad un investitore da parte dell'Emittente.

## NOTICE TO THE HOLDERS

### Up to 100,000 Fixed Premium Athena Certificates relating to the shares of Unicredit SpA

**ISIN Code: NL0010399176**

This Notice is dated 4 March 2014 and should be read in conjunction with the Final Terms dated 17 February 2014 in respect of the Securities. Any information not updated or amended herein should be regarded as unchanged.

Further to the public offer in Italy by BNP Paribas Arbitrage Issuance B.V. (the Issuer) of **Up to 100,000 Fixed Premium Athena Certificates relating to the shares of Unicredit SpA**, referred to here above, the total number of Securities to be issued is **100,000 Securities (i.e. EUR 10,000,000)** at an issue price of **EUR 100** per Security. The Issue Date of the Securities is 6 March 2014.

The Holders are informed that on page 3 of the Final Terms in § 12 Final Payout it should be noted that:

**Strike Price** means **EUR 5.41**

**Barrier Level** means **EUR 3.787**, being 70% x Strike Price

Copies of such Notice may be downloaded on the following website:

<http://www.prodottidiborsa.com>

Signed on behalf of BNP Paribas Arbitrage Issuance B.V.

As Issuer:



By: ..Cezar NASTASA.. Duly authorised

## TERMS AND CONDITIONS OF THE W&C SECURITIES

*The following is the text of the Terms and Conditions of the W&C Securities which will include the additional terms and conditions contained in Annex 1 in relation to the payouts for W&C Securities, the additional terms and conditions contained in Annex 2 in the case of Index Securities, the additional terms and conditions contained in Annex 3 in the case of Share Securities, the additional terms and conditions contained in Annex 4 in the case of ETI Securities, the additional terms and conditions contained in Annex 5 in the case of Debt Securities, the additional terms and conditions contained in Annex 6 in the case of Commodity Securities, the additional terms and conditions contained in Annex 7 in the case of Inflation Index Securities, the additional terms and conditions contained in Annex 8 in the case of Currency Securities, the additional terms and conditions contained in Annex 9 in the case of Fund Securities, the additional terms and conditions contained in Annex 10 in the case of Futures Securities, the additional terms and conditions contained in Annex 11 in the case of Underlying Interest Rate Securities, the additional terms and conditions contained in Annex 12 in the case of Credit Securities, the additional terms and conditions contained in Annex 13 in the case of Secured Securities, the additional terms and conditions contained in Annex 14 in the case of Preference Share Certificates, the additional terms and conditions contained in Annex 15 in the case of OET Certificates or any other Annex (each, an "Annex" and, together the "Annexes") which may be added from time to time, in the case of any other security linked to any other underlying reference (the "Terms and Conditions") which, in the case of English Law Securities (as defined in Condition 1 below), will be incorporated by reference into each Clearing System Global Security, Private Placement Definitive Security or Registered Global Security (each as defined below), or in the case of Italian Dematerialised Securities (as defined below) will apply to such W&C Securities. In the case of English Law Securities (other than Swedish Dematerialised Securities, Finnish Dematerialised Securities, Italian Dematerialised Securities or Swiss Dematerialised Securities), the applicable Final Terms (or the relevant provisions thereof) will be attached to each Clearing System Global Security, Private Placement Definitive Security or Registered Global Security, as the case may be. In the case of Swedish Dematerialised Securities, Finnish Dematerialised Securities, Italian Dematerialised Securities and Swiss Dematerialised Securities, the applicable Final Terms in respect of such W&C Securities will be available at the specified office of the relevant Issuer and at the office of the Swedish Security Agent, Finnish Security Agent, Italian Security Agent or Swiss Security Agent, as applicable, in each case specified in the applicable Final Terms. The provisions in respect of Registered Securities and U.S. Securities (each as defined below) relate to English Law Securities only.*

For the purposes of W&C Securities which are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive ("**Exempt Securities**"), references in these Terms and Conditions to "Final Terms" shall be deemed to be references to "Pricing Supplement".

The series of W&C Securities described in the applicable Final Terms (in so far as it relates to such series of W&C Securities) (such W&C Securities being hereinafter referred to as the "**W&C Securities**") are issued by whichever of BNP Paribas Arbitrage Issuance B.V. ("**BNPP B.V.**"), BNP Paribas ("**BNPP**"), BNP Paribas Fortis Funding ("**BP2F**") or BGL BNP Paribas ("**BGL**") (either directly or, if so specified in the applicable Final Terms, acting through a specified branch ("**Specified Branch**") is specified as the Issuer in the applicable Final Terms (the "**Issuer**") and references to the Issuer shall be construed accordingly. W&C Securities will be either warrants ("**Warrants**") or certificates ("**Certificates**"), as specified in the applicable Final Terms, and references in these Terms and Conditions to "W&C Security", "W&C Securities", "Warrant", "Warrants", "Certificate" and "Certificates" will be construed accordingly.

As used herein, "**Tranche**" means W&C Securities which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of W&C Securities together with any further Tranche or

Tranches of W&C Securities which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, and/or Issue Prices.

The W&C Securities are issued pursuant to an Agency Agreement dated 3 June 2013 (as amended and/or supplemented from time to time, the "**Agency Agreement**") between BNPP B.V. as issuer, BNPP as issuer and (where the Issuer is BNPP B.V.) as guarantor (in such capacity, the "**BNPP Guarantor**"), BP2F as issuer, BNP Paribas Fortis SA/NV ("**BNPPF**") as guarantor (where the Issuer is BP2F) (in such capacity, the "**BNPPF Guarantor**"), BGL as issuer, BNP Paribas Securities Services S.C.A. in Amsterdam as agent (if specified in the applicable Final Terms as Agent in respect of the W&C Securities, the "**Amsterdam Security Agent**"), BNP Paribas Securities Services, Branch in Spain as agent (if specified in the applicable Final Terms as Agent in respect of the W&C Securities, the "**Madrid Security Agent**"), BNP Paribas Securities Services, Luxembourg Branch as agent (if specified in the applicable Final Terms as Agent in respect of the W&C Securities, the "**Principal Security Agent**"), BNP Paribas Securities Services S.C.A. as agent (the "**French Security Agent**"), BNP Paribas Arbitrage S.N.C. as agent (if specified in the applicable Final Terms as Agent in respect of the W&C Securities, the "**Principal Security Agent**"), The Bank of New York Mellon as New York security agent (the "**New York Security Agent**"), The Bank of New York Mellon as definitive security agent (the "**Definitive Security Agent**"), BNP Paribas Securities Services, Milan Branch as agent (the "**Italian Security Agent**") (each a "**Security Agent**" and collectively, the "**Security Agents**"), BNP Paribas Securities Services, Luxembourg Branch, BNP Paribas Securities Services S.C.A., Frankfurt Branch, BNP Paribas Securities Services, Succursale de Zurich, and BNP Paribas Securities (Japan) Limited as registrar (if specified in the applicable Final Terms as Registrar in respect of the Registered Securities, the "**Registrar**"), as supplemented in the case of Swedish Dematerialised Securities by an issuing and paying agency agreement dated 4 January 2010 (as amended and/or supplemented from time to time, the "**Swedish Agency Agreement**") between BNPP B.V. and Svenska Handelsbanken AB (publ) as Euroclear Sweden security agent (the "**Swedish Security Agent**") and as supplemented in the case of Finnish Dematerialised Securities by an issuing and paying agency agreement dated 7 January 2013 (which may be amended and/or supplemented from time to time, the "**Finnish Agency Agreement**") between BNPP B.V. and Svenska Handelsbanken AB (publ) as Euroclear Finland security agent, (the "**Finnish Security Agent**"). The expression "Security Agent" shall include (i) in respect of Swedish Dematerialised Securities, the Swedish Security Agent and (ii) in respect of Finnish Dematerialised Securities, the Finnish Security Agent, and shall include any additional or successor security agent(s) in respect of the W&C Securities.

BNP Paribas or BNP Paribas Arbitrage S.N.C. (as specified in the applicable Final Terms) shall undertake the duties of calculation agent (the "**Calculation Agent**") in respect of the W&C Securities as set out below and in the applicable Final Terms unless another entity is so specified as calculation agent in the applicable Final Terms. The expression "Calculation Agent" shall, in relation to the relevant W&C Securities, include such other specified calculation agent.

The Agency Agreement will be governed by English Law in the case of English Law Securities (the "**English Law Agency Agreement**") and by French Law in the case of French Law Securities (the "**French Law Agency Agreement**"). The Swedish Agency Agreement will be governed by Swedish Law. The Finnish Agency Agreement will be governed by Finnish law.

The applicable Final Terms for the W&C Securities supplements these Terms and Conditions for the purposes of the W&C Securities. Except in the case of French Law Securities, Swedish Dematerialised Securities, Finnish Dematerialised Securities, Italian Dematerialised Securities or Swiss Dematerialised Securities, the applicable Final Terms for the W&C Securities will be attached to each Global Security, each Private Placement Definitive Security and any Registered Certificates in definitive form.

References herein to the "applicable Final Terms" are to the Final Terms or two or more sets of Final Terms (in the case of any further W&C Securities issued pursuant to Condition 12 and forming a single series with the W&C Securities) (which, for the avoidance of doubt, may be issued in respect of more than one series of W&C Securities) insofar as they relate to the W&C Securities.

Subject as provided in Condition 4 and in the relevant Guarantee (as defined in Condition 1), where the Issuer is BNPP B.V., the obligations of BNPP B.V. with respect to physical delivery (if applicable) and/or the payment of amounts payable by BNPP B.V. are guaranteed by BNPP pursuant to the relevant BNPP Guarantee. Subject as provided in Condition 4 and in the relevant Guarantee (as defined in Condition 1), where the Issuer is BP2F, the obligations of BP2F with respect to physical delivery (if applicable) and/or the payment of amounts payable by BP2F are guaranteed by BNPPF pursuant to the BNPPF W&C Securities Guarantee. The original of each Guarantee is held by BNP Paribas Securities Services, Luxembourg Branch on behalf of the Holders at its specified office.

Copies of the Agency Agreement, the Guarantees and the applicable Final Terms may be obtained from the specified office of the relevant Security Agent and the Registrar (in the case of Registered Securities), save that if the W&C Securities are unlisted, the applicable Final Terms will only be obtainable by a Holder and such Holder must produce evidence satisfactory to the relevant Security Agent as to identity. Copies of the Swedish Agency Agreement and the BNPP English Law Guarantee will be available for inspection at the office of the Swedish Security Agent specified in the applicable Final Terms. Copies of the Finnish Agency Agreement and the BNPP English Law Guarantee will be available for inspection at the office of the Finnish Security Agent specified in the applicable Final Terms.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated.

The Holders are entitled to the benefit of and are deemed to have notice of and are bound by all the provisions of the Agency Agreement (insofar as they relate to the W&C Securities) and the applicable Final Terms, which are binding on them.

## **1. DEFINITIONS**

For the purposes of these Terms and Conditions, the following general definitions will apply:

"**Account Holder**" is as defined in Condition 2.2;

"**Accrual Period**" is as defined in Condition 32(c);

"**Actual/Actual (ICMA)**" is as defined in Condition 32(c);

"**Actual Exercise Date**" is as defined in Condition 20 and Condition 24.1(a);

"**Additional Disruption Event**" is as defined in Condition 15.1;

"**Adjustment Date**" is as defined in Condition 17(b);

"**AFB Agreement**" is as defined in Condition 32(b)(iii);

"**AFB Rate**" is as defined in Condition 32(b);

"**Affected Item**" is as defined in this Condition 1 under the definition of Strike Date and in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);



**"Affected Relevant Assets"** is as defined in Condition 15.1;

**"Affected Share"** is as defined in Condition 15.2(e);

**"Affiliate"** means in relation to any entity (the **"First Entity"**), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes **"control"** means ownership of a majority of the voting power of an entity;

**"Agency Agreement"** is as defined in paragraph 5 of these Terms and Conditions;

**"AIs"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Alternate Cash Amount"** is as defined in Condition 5.4;

**"American Style Warrants"** is as defined in Condition 22;

**"Amsterdam Security Agent"** is as defined in paragraph 5 of these Terms and Conditions;

**"Annex"** is as defined in paragraph 1 of these Terms and Conditions;

**"Asset Transfer Notice"** is as defined in Condition 35.2(a);

**"Automatic Early Redemption Amount"** is as defined in Condition 34.9(b);

**"Automatic Early Redemption Event"** is as defined in Condition 34.9(a) and 34.9(b);

**"Automatic Early Redemption Date"** is as defined in Condition 34.9(b);

**"Automatic Early Redemption Level"** is as defined in Condition 34.9(b);

**"Automatic Early Redemption Rate"** is as defined in Condition 34.9(b);

**"Automatic Early Redemption Valuation Date"** is as defined in Condition 34.9(b);

**"Automatic Exercise"** is as defined in Condition 22;

**"Averaging"** is as defined in Condition 22 (in the case of Warrants) and Condition 30 (in the case of Certificates);

**"Averaging Date"** is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Basket Company"** is as defined in Condition 15.2(e);

**"Basket Price"** is as defined in Condition 34.9(b);

**"Basket of Underlying References"** is as defined in Condition 34.9(b);

**"BGL"** is as defined in paragraph 3 of these Terms and Conditions;

**"BGL Substitute"** is as defined in Condition 13.4;

**"BNPP"** is as defined in paragraph 3 of these Terms and Conditions;

**"BNPP B.V."** is as defined in paragraph 3 of these Terms and Conditions;

**"BNPP English Law W&C Guarantee"** means a deed of guarantee dated 3 June 2013 executed by BNPP in respect of English Law Securities issued by BNPP B.V.;

**"BNPP Guarantee"** means (a) in the case of English Law Securities, the BNPP English Law Guarantee and (b) in the case of French Law Securities, the BNPP French Law W&C Guarantee;

**"BNPP French Law W&C Guarantee"** means the *garantie* dated 3 June 2013 executed by BNPP in respect of French Law Securities issued by BNPP B.V.;

**"BNPP Guarantee"** means (a) in the case of English Law Securities, the BNPP English Law W&C Guarantee and (b) in the case of French Law Securities, the BNPP French Law W&C Guarantee;

**"BNPP Guarantor"** is as defined in paragraph 4 of these Terms and Conditions;

**"BNPPF"** is as defined in paragraph 4 of these Terms and Conditions;

**"BNPPF W&C Securities Guarantee"** means a deed of guarantee dated 3 June 2013 executed by BNPPF in respect of W&C Securities issued by BP2F;

**"BNPPF Guarantor"** is as defined in paragraph 4 of these Terms and Conditions;

**"BP2F"** is as defined in paragraph 3 of these Terms and Conditions;

**"BP2F Substitute"** is as defined in Condition 13.3;

**"Business Day"** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) and for the purposes of making payments in euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open (a **"TARGET2 Settlement Day"**) and (a) where the W&C Securities are Clearing System Securities, Registered Certificates or Italian Dematerialised Securities, a day on which the relevant Clearing System is open for business, (b) where the W&C Securities are Private Placement Definitive Securities, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York, (c) where the W&C Securities are Registered Warrants, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Tokyo, (d) where the W&C Securities are Swedish Dematerialised Securities, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Stockholm or (e) where the W&C Securities are Finnish Dematerialised Securities, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Helsinki and on which Euroclear Finland and the relevant system in which the Finnish Dematerialised Securities are registered are open for business in accordance with the rules of Euroclear Finland;

**"Calculated Additional Disruption Amount"** is as defined in Condition 15.2(c)(ii);

**"Calculated Additional Disruption Amount Determination Date"** is as defined in Condition 15.2(c)(ii);

**"Calculation Agent"** is as defined in paragraph 6 of these Terms and Conditions and Condition 32(b);

**"Call Warrants"** is as defined in Condition 22;

**"Cancellation Event"** is as defined in Condition 15.1;

**"Cash Settled Certificates"** is as defined in Condition 30;

**"Cash Settled Securities"** means (a) in the case of an issue of Warrants, Cash Settled Warrants and (b) in the case of an issue of Certificates, Cash Settled Certificates;

**"Cash Settled Warrants"** is as defined in Condition 22;

**"Cash Settlement Amount"** is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Certificates"** is as defined in paragraph 3 of these Terms and Conditions;

**"Change in Law"** is as defined in Condition 15.1;

**"Clearing System"** means Clearstream, Luxembourg and/or Euroclear and/or Euroclear France and/or Euroclear Netherlands and/or Euroclear Sweden and/or Euroclear Finland and/or DTC and/or Iberclear and/or Monte Titoli and/or any additional or alternative clearing system approved by the Issuer and the relevant Security Agent(s) from time to time and specified in the applicable Final Terms;

**"Clearing System Certificates"** is as defined in Condition 29;

**"Clearing System Global Certificate"** is as defined in Condition 29;

**"Clearing System Global Security"** means (a) in the case of an issue of Warrants, the Clearing System Global Warrant representing such Warrants and (b) in the case of an issue of Certificates, the Clearing System Global Certificate representing such Certificates;

**"Clearing System Global Warrant"** is as defined in Condition 21;

**"Clearing System Securities"** means (a) in the case of an issue of Warrants, Clearing System Warrants and (b) in the case of an issue of Certificates, Clearing System Certificates;

**"Clearing System Warrants"** is as defined in Condition 21;

**"Clearstream, Luxembourg"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Commodity OET Certificate"** means a Commodity Security that is an OET Certificate;

**"Commodity Securities"** is as defined in Condition 2.1;

**"Common Depositary"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Credit Securities"** is as defined in Condition 2.1;

**"Currency Event"** is as defined in Condition 15.1;

**"Currency OET Certificate"** means a Currency Security that is an OET Certificate;

**"Currency Securities"** is as defined in Condition 2.1;

**"Custodian"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Cut-off Date"** is as defined in Condition 25.9(c) (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Day Count Fraction"** is as defined in Condition 32(c);

**"Debt Securities"** is as defined in Condition 2.1;

**"Definitive Security Agent"** is as defined in paragraph 4 of these Terms and Conditions;

**"Delivery Date"** is as defined in Condition 35.2(c);

**"Designated Account"** is as defined in Condition 35.1;

**"Designated Bank"** is as defined in Condition 35.1;

**"Designated Maturity"** is as defined in Condition 32(b)(ii);

**"Determination Date(s)"** is as defined in Condition 32(c);

**"Determination Period"** is as defined in Condition 32(c);

**"Disqualified Transferee"** is as defined in Condition 2.4(c);

**"Disruption Cash Settlement Price"** is as defined in Condition 5.1;

**"Distribution Compliance Period"** means the period expiring 40 days after completion of the distribution of the relevant W&C Securities unless a longer period is specified in the applicable Final Terms. In such event, the Final Terms will specify the additional restrictions on transfer and exercise applicable to the W&C Securities;

**"Documents"** is as defined in Condition 13.2(b);

**"DTC"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"due exercise"** is as defined in Condition 24.4;

**"English Law Agency Agreement"** is as defined in paragraph 6 of these Terms and Conditions;

**"English Law Certificates"** is as defined in Condition 28;

**"English Law Securities"** means (a) in the case of an issue of Warrants, English Law Warrants and (b) in the case of an issue of Certificates, English Law Certificates;

**"English Law Warrants"** is as defined in Condition 20;

**"Entitlement"** is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Established Rate"** is as defined in Condition 17(b);

**"ETI OET Certificate"** means an ETI Security that is an OET Certificate;

"**ETI Securities**" is as defined in Condition 2.1;

"**EURIBOR**" is as defined in Condition 32(b)(ii)(C);

"**euro**" is as defined in Condition 17(b);

"**Euroclear**" is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

"**Euroclear Finland**" means Euroclear Finland Ltd. (the Finnish Central Securities Depository);

"**Euroclear Finland Register**" means the register opened in the Euroclear Finland System for Finnish Dematerialised Securities issued or to be issued by the Issuer;

"**Euroclear Finland System**" means the technical system at Euroclear Finland for the registration of securities and the clearing and settlement of securities transactions;

"**Euroclear France Certificates**" is as defined in Condition 35.1;

"**Euroclear France Securities**" is as defined in Condition 2.2;

"**Euroclear France Warrants**" is as defined in Condition 24.1;

"**Euroclear Netherlands**" means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.;

"**Euroclear Netherlands Certificates**" is as defined in Condition 35.1;

"**Euroclear Netherlands Securities**" is as defined in Condition 2.2;

"**Euroclear Netherlands Warrants**" is as defined in Condition 24.1;

"**Euroclear Sweden**" means Euroclear Sweden AB (the Swedish Central Securities Depository authorised as such under the SFIA Act);

"**Euroclear Sweden Register**" means the register opened in the Euroclear Sweden System for Swedish Dematerialised Securities issued or to be issued by the Issuer;

"**Euroclear Sweden System**" means the technical system at Euroclear Sweden for the registration of securities and the clearing and settlement of securities transactions;

"**Euronext Paris**" is as defined in Condition 34.3;

"**European Style Warrants**" is as defined in Condition 22;

"**EuroTLX**" is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

"**Exchange Event**" is as defined in Condition 29;

"**Exercisable Certificates**" is as defined in Condition 34.7;

"**exercise**" is as defined in Condition 24.4;

"**Exercise Business Day**" is as defined in Condition 20;

**"Exercise Notice"** is as defined in Condition 24.1(a), Condition 25.1, Condition 25.2 and Condition 25.3;

**"Exercise Notice Delivery Date"** is as defined in Condition 25.9(c);

**"Exercise Price"** is as specified in the applicable Final Terms;

**"Expenses"** is as defined in Condition 11.2;

**"Expiration Date"** is as defined in Condition 20;

**"Failure to Deliver due to Illiquidity"** is as defined in Condition 15.1;

**"Failure to Deliver Settlement Price"** is as defined in Condition 15.2(e);

**"Finnish Agency Agreement"** is as defined in paragraph 5 of these Terms and Conditions;

**"Finnish Dematerialised Certificates"** is as defined in Condition 28;

**"Finnish Dematerialised Securities"** means (a) in the case of an issue of Warrants, Finnish Dematerialised Warrants and (b) in the case of an issue of Certificates, Finnish Dematerialised Certificates;

**"Finnish Dematerialised Warrants"** is as defined in Condition 20;

**"Finnish Record Date"** is as defined in respect of Finnish Dematerialised Warrants in Condition 25.6 and in respect of Finnish Dematerialised Certificates in Condition 35.1;

**"Finnish Security Agent"** is as defined in paragraph 5 of these Terms and Conditions and is an account operator specifically authorised by Euroclear Finland and to be appointed by the Issuer in respect of any series of Finnish Dematerialised Securities to process and register issues in the Euroclear Finland System and identified in the applicable Final Terms and acting solely as the agent of the Issuer not assuming any obligation to, or relationship or agency of trust with the Holders;

**"Fixed Rate Certificates"** is as defined in Condition 32;

**"Floating Rate"** is as defined in Condition 32(b)(ii);

**"Floating Rate Certificates"** is as defined in Condition 32;

**"Floating Rate Option"** is as defined in Condition 32(b)(ii);

**"Force Majeure Event"** is as defined in Condition 15.1;

**"freely tradable"** is as defined in Condition 5.4;

**"French Law Agency Agreement"** is as defined in paragraph 7 of these Terms and Conditions;

**"French Law Certificates"** is as defined in Condition 28;

**"French Law Securities"** means (a) in the case of Warrants, French Law Warrants and (b) in the case of Certificates, French Law Certificates;

**"French Law Warrants"** is as defined in Condition 20;

**"French Security Agent"** is as defined in paragraph 5 of these Terms and Conditions;

"**Fund Securities**" is as defined in Condition 2.1;

"**Futures OET Certificate**" means a Futures Security that is an OET Certificate;

"**Futures Securities**" is as defined in Condition 2.1;

"**GDR/ADR**" is as defined in Condition 2.1;

"**General Meeting**" is as defined in Condition 9.4(b);

"**Global Certificate**" is as defined in Condition 29;

"**Global Security**" means (a) in the case of Warrants, the Global Warrant and (b) in the case of Certificates, the Global Certificate;

"**Global Warrant**" is as defined in Condition 21;

"**Government Authority**" is as defined in Condition 15.1;

"**Guarantee**" means the relevant BNPP Guarantee or the BNPPF W&C Securities Guarantee;

"**Guaranteed Cash Settlement Amount**" is as defined in Condition 4;

"**Guarantor**" means BNPP or BNPPF, as applicable;

"**Hedge**" is as defined in Condition 15.1;

"**Hedging Disruption**" is as defined in Condition 15.1;

"**Hedging Shares**" is as defined in Condition 15.1;

"**Holder**" is as defined in Condition 2.2, Condition 23 (in the case of Registered Warrants) and Condition 31 (in the case of Registered Certificates);

"**holder of Certificates**" is as defined in Condition 31;

"**Holder of Securities**" is as defined in Condition 2.2;

"**Hybrid Securities**" is as defined in Condition 2.1;

"**Iberclear**" means "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal" whose commercial name is Iberclear;

"**Increased Cost of Hedging**" is as defined in Condition 15.1;

"**Increased Cost of Stock Borrow**" is as defined in Condition 15.1;

"**Index OET Certificate**" means an Index Security that is an OET Certificate;

"**Index Securities**" is as defined in Condition 2.1;

"**Inflation Index Securities**" is as defined in Condition 2.1;

"**Initial Stock Loan Rate**" is as defined in Condition 15.1;

"**Insolvency Filing**" is as defined in Condition 15.1;

**"Interest Amount"** is as defined in Condition 32(b)(v);

**"Interest Determination Date"** is as defined in Condition 32(b)(v);

**"Interest Period End Date"** is as defined in Condition 32(b)(i);

**"Interest Period End Final Date"** is as defined in Condition 32(a) and Condition 32(b)(i);

**"Intermediary"** is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Intervening Period"** is as defined in Condition 35.2(d);

**"Investor Representation Letter"** is as defined in Condition 2.4;

**"ISDA Definitions"** is as defined in Condition 32(b)(ii);

**"Issuer"** is as defined in paragraph 3 of these Terms and Conditions;

**"Italian Dematerialised Certificates"** is as defined in Condition 28;

**"Italian Dematerialised Securities"** means (a) in the case of an issue of Warrants, Italian Dematerialised Warrants and (b) in the case of an issue of Certificates, Italian Dematerialised Certificates;

**"Italian Dematerialised Warrants"** is as defined in Condition 20;

**"Italian Listed Certificates"** is as defined in Condition 28;

**"Italian Listed Securities"** means (a) in the case of an issue of Warrants, Italian Listed Warrants and (b) in the case of an issue of Certificates, Italian Listed Certificates;

**"Italian Listed Warrants"** is as defined in Condition 20;

**"Italian Security Agent"** is as defined in paragraph 5 of these Terms and Conditions;

**"Jurisdiction Event"** is as defined in Condition 15.1;

**"Knock-in Determination Day"** is as defined in Condition 16.6;

**"Knock-in Determination Period"** is as defined in Condition 16.6;

**"Knock-in Event"** is as defined in Condition 16.6;

**"Knock-in Level "** is as defined in Condition 16.6;

**"Knock-in Period Beginning Date"** is as defined in Condition 16.6;

**"Knock-in Period Ending Date"** is as defined in Condition 16.6;

**"Knock-in Range Level "** is as defined in Condition 16.6;

**"Knock-in Valuation Time"** is as defined in Condition 16.6;

**"Knock-out Determination Day"** is as defined in Condition 16.6;

**"Knock-out Determination Period"** is as defined in Condition 16.6;



"**Knock-out Event**" is as defined in Condition 16.6;

"**Knock-out Level**" is as defined in Condition 16.6;

"**Knock-out Period Beginning Date**" is as defined in Condition 16.6;

"**Knock-out Period Ending Date**" is as defined in Condition 16.6;

"**Knock-out Range Level**" is as defined in Condition 16.6;

"**Knock-out Valuation Time**" is as defined in Condition 16.6;

"**Level**" is as defined in Condition 16.6;

"**LIBOR**" is as defined in Condition 32(b)(ii)(C);

"**Linked Interest Certificates**" is as defined in Condition 32;

"**Linked Premium Amount Certificates**" is as defined in Condition 33.2

"**Local Currency**" is as defined in Condition 15.1;

"**Local Time**" means local time in the city of the relevant Clearing System;

"**Loss of Stock Borrow**" is as defined in Condition 15.1;

"**Luxembourg or Brussels time**" is as defined in Condition 24.4;

"**Madrid Security Agent**" is as defined in paragraph 5 of these Terms and Conditions;

"**Maximum Stock Loan Rate**" is as defined in Condition 15.1;

"**Modified Postponement**" is as defined in Condition 28;

"**Monte Titoli**" is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

"**National Currency Unit**" is as defined in Condition 17(b);

"**New York Security Agent**" is as defined in paragraph 5 of these Terms and Conditions;

"**New York time**" is as defined in Condition 24.4;

"**Notice Period**" is as defined in Conditions 34.3 and 34.4

"**Observation Date**" is as defined in Condition 20 (in the case of Warrants) and 28 (in the case of Certificates);

"**Observation Period**" is as defined in Condition 20 (in the case of Warrants) and 28 (in the case of Certificates);

"**OET Certificate**" means W&C Securities specified as Open End Turbo Certificates in the applicable Final Terms;

"**Omission**" is as defined in Condition 28;

"**Open End Certificate**" is as defined in Condition 28;

"**Optional Additional Disruption Event**" is as defined in Condition 15.1;

"**Optional Redemption Amount**" is as defined in Conditions 34.3 and 34.4;

"**Optional Redemption Date**" is as defined in Conditions 34.3 and 34.4;

"**Optional Redemption Valuation Date**" is as defined in Conditions 34.3 and 34.4;

"**Original Currency**" is as defined in Condition 17(a)(ii);

"**Paris Business Day**" is as defined in W&C Security Condition 32(b)(vii).

"**Payment Date**" is as defined in Condition 35.1;

"**Permanent Global Warrant**" is as defined in Condition 21;

"**Physical Delivery Certificates**" is as defined in Condition 30;

"**Physical Delivery Securities**" means (a) in the case of an issue of Warrants, Physical Delivery Warrants and (b) in the case of an issue of Certificates, Physical Delivery Certificates;

"**Physical Delivery Warrants**" is as defined in Condition 22;

"**Postponement**" is as defined in Condition 28;

"**Premium Amount**" is as defined in Condition 33.5;

"**Premium Amount Payment Date**" is as defined in Condition 33.5;

"**Principal Security Agent**" is as defined in paragraph 5 of these Terms and Conditions;

"**Private Placement Definitive Certificates**" is as defined in Condition 29;

"**Private Placement Definitive Securities**" means (a) in the case of an issue of Warrants, Private Placement Definitive Warrants and (b) in the case of an issue, of Certificates, Private Placement Definitive Certificates;

"**Private Placement Definitive Warrant**" is as defined in Condition 21;

"**Private Placement Register**" is as defined in Condition 2.2;

"**Proceedings**" is as defined in Condition 14.2;

"**Put Notice**" is as defined in Condition 34.4;

"**Put Warrants**" is as defined in Condition 22;

"**QIBs**" is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

"**Quota**" is as defined in Condition 26.1(b);

"**Record Date**" is as defined in Condition 35.1 (in the case of Certificates);

"**Redemption Date**" is as defined in Condition 34.1;

"**Reference Banks**" is as defined in Condition 28;

**"Register"** is as defined in Condition 23;

**"Registered Certificates"** is as defined in Condition 29;

**"Registered Global Certificate"** is as defined in Condition 29;

**"Registered Global Security"** means (a) in the case of an issue of Warrants, a Registered Global Warrant and (b) in the case of an issue of Certificates, a Registered Global Certificate;

**"Registered Global Warrant"** is as defined in Condition 21;

**"Registered Securities"** means (a) in the case of an issue of Warrants, Registered Warrants and (b) in the case of an issue of Certificates, Registered Certificates;

**"Registered Warrants"** is as defined in Condition 21;

**"Registrar"** is as defined in paragraph 5 of these Terms and Conditions;

**"Regulation S"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Regulation S Global Certificate"** is as defined in Condition 29;

**"Regulation S Global Security"** means (a) in the case of an issue of Warrants, a Regulation S Global Warrant and (b) in the case of an issue of Certificates, a Regulation S Global Certificate;

**"Regulation S Global Warrant"** is as defined in Condition 21;

**"Related Expenses"** is as defined in Condition 11.2;

**"Relevant Adjustment Provisions"** is as defined in Condition 16.6 and 34.9(b);

**"Relevant Jurisdiction"** means the country in which (as the case may be) the Shares, the Shares relating to the depositary receipts, the ETI Interests, the Debt Instruments, the Fund or the Fund Units are issued (or in which the issuer of such Shares, ETI Interests, Debt Instruments or Fund Units is incorporated) or the Index is based, as specified in the applicable Final Terms;

**"Renouncement Notice"** is as defined in Condition 24.1(a) (in the case of Warrants) and Condition 34.7 (in the case of Certificates);

**"Reset Date"** is as defined in Condition 32(b)(ii);

**"Rolling Futures Contract Securities"** means a Security that is specified as such in the applicable Final Terms;

**"Rule 144A"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Rule 144A Certificates"** is as defined in Condition 29;

**"Rule 144A Global Certificate"** is as defined in Condition 29;

**"Rule 144A Global Security"** means (a) in the case of an issue of Rule 144A Warrants, the Rule 144A Global Warrant representing such Rule 144A Warrants and (b) in the case of an issue of Rule 144A Certificates, the Rule 144A Global Certificate representing such Rule 144A Certificates;

**"Rule 144A Global Warrant"** is as defined in Condition 21;

**"Rule 144A Warrants"** is as defined in Condition 21;

**"Scheduled Averaging Date"** is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Scheduled Closing Time"** means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours subject, in respect of Index Securities, to subparagraphs (b) and (c) of the definition of Valuation Time, and subject, in respect of Share Securities, to subparagraph (c) of the definition of Valuation Time;

**"Scheduled Strike Date"** means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been the Strike Date;

**"Scheduled Valuation Date"** means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date;

**"Secured Securities"** is as defined in Condition 2.1;

**"Securities Act"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Security Agent"** and **"Security Agents"** are as defined in paragraph 5 of these Terms and Conditions;

**"Security Expenses"** is as defined in Condition 11.1 and Condition 25.3(a)(iv);

**"SeDeX"** is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Settlement Business Day"** is as defined in Condition 5.1;

**"Settlement Date"** is as defined in Condition 20;

**"Settlement Disruption Event"** is as defined in Condition 5.1;

**"SFIA Act"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Share"** is as defined in Condition 15.2(e);

**"Share OET Certificate"** means a Share Security that is an OET Certificate;

**"Share Securities"** is as defined in Condition 2.1;

**"Specified Maximum Days of Disruption"** means (other than with respect to Commodity Securities and Currency Securities) eight Scheduled Trading Days or such other number of Scheduled Trading Days specified in the applicable Final Terms, with respect to Currency Securities, five Scheduled Trading Days and with respect to Commodity Securities, five Commodity Business Days;

**"Stop-Loss Event"** is as defined in Condition 15.1;

**"Strike Date"** means, in the case of Index Securities, Share Securities, ETI Securities or Futures Securities, the Strike Date specified in the applicable Final Terms, or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day unless, in the opinion of the Calculation Agent such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (a) where the W&C Securities are Index Securities relating to a single Index, Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest or Futures Securities relating to a single Future, the Strike Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date, notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the relevant level or price:
  - (i) in the case of Index Securities, by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
  - (ii) in the case of Share Securities, ETI Securities or Futures Securities, in accordance with its good faith estimate of the relevant price as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
- (b) where the W&C Securities are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket of ETI Interests or Futures Securities relating to a Basket of Futures, the Strike Date for each Index, Share, ETI Interest or Future, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Strike Date and the Strike Date for each Index, ETI Interest, Share or Future affected, as the case may be (each an **"Affected Item"**), by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to the Affected Item:
  - (i) in the case of an Index, the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or

- (ii) in the case of a Share, ETI Interest or Future, its good faith estimate of the price for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
- (c) in the case of Commodity Securities, the Initial Pricing Date;

**"Strike Day"** means each date specified as such in the applicable Final Terms and, if Averaging Date Consequences are specified as applicable in the applicable Final Terms, the provisions contained in the definition of "Averaging Date" shall apply mutatis mutandis as if references in such provisions to "Averaging Date" were to "Strike Day";

**"Strike Period"** means the period specified as such in the applicable Final Terms;

**"Substitute"** is as defined in Condition 13.1;

**"Substitute Asset"** and **"Substitute Assets"** is as defined in Condition 5.4;

**"Substitute BNPP Guarantee"** is as defined in Condition 13.2(b);

**"Substitute BNPP Guarantor"** is as defined in Condition 13.2;

**"Substitute BNPPF W&C Securities Guarantee"** is as defined in Condition 13.5(b)

**"Substitute BNPPF Guarantor"** is as defined in Condition 13.3

**"Substitute Share"** is as defined in Condition 15.2(e);

**"Substitution Date"** is as defined in Condition 15.2(e);

**"sub-unit"** is as defined in Condition 32(a);

**"Successor Index"** is as defined in Condition 15.2(d);

**"Swedish Agency Agreement"** is as defined in paragraph 5 of these Terms and Conditions;

**"Swedish Dematerialised Certificates"** is as defined in Condition 28;

**"Swedish Dematerialised Securities"** means (a) in the case of an issue of Warrants, Swedish Dematerialised Warrants and (b) in the case of an issue of Certificates, Swedish Dematerialised Certificates;

**"Swedish Dematerialised Warrants"** is as defined in Condition 20;

**"Swedish Record Date"** is as defined in Condition 35.1;

**"Swedish Security Agent"** is as defined in paragraph 5 of these Terms and Conditions;

**"Swiss Dematerialised Certificates"** is as defined in Condition 28;

**"Swiss Dematerialised Securities"** means (a) in the case of an issue of Warrants, Swiss Dematerialised Warrants and (b) in the case of an issue of Certificates, Swiss Dematerialised Certificates;

**"Swiss Dematerialised Warrants"** is as defined in Condition 20;

**"Swiss Materialised Certificates"** is as defined in Condition 28;

"**Swiss Materialised Securities**" means (a) in the case of an issue of Warrants, Swiss Materialised Warrants and (b) in the case of an issue of Certificates, Swiss Materialised Certificates;

"**Swiss Materialised Warrants**" is as defined in Condition 20;

"**Swiss Securities**" means Swiss Materialised Securities and Swiss Dematerialised Securities. The terms and conditions of the Swiss Securities will be set forth in the applicable Final Terms;

"**Swiss Security Agent**" means the entity specified in the applicable Final Terms;

"**Taxes**" is as defined in Condition 11.2;

"**Transfer Certificate**" is as defined in Condition 23;

"**Treaty**" is as defined in Condition 17(b);

"**Underlying Reference**" is as defined in Condition 16.6 and 34.9(b);

"**Underlying Reference Level**" is as defined in Condition 34.9(b);

"**Underlying Share**" is as defined in Condition 2.1;

"**Units**" is as defined in Condition 22;

"**U.S. Certificates**" is as defined in Condition 29;

"**U.S. Securities**" means (a) in the case of an issue of Warrants, U.S. Warrants and (b) in the case of an issue of Certificates, U.S. Certificates;

"**U.S. Warrants**" is as defined in Condition 21;

"**Valid Date**" is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

"**Valuation Date**" is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

"**Valuation Time**" is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates); and

"**Warrants**" is as defined in paragraph 3 of these Terms and Conditions.

## **2. TYPE, TITLE AND TRANSFER**

### **2.1 Type**

The W&C Securities relate to a specified index or basket of indices ("**Index Securities**"), a specified share or basket of shares, or a specified depositary receipt (a "**GDR/ADR**") referencing a share (an "**Underlying Share**") or basket of GDRs and/or ADRs ("**Share Securities**"), a specified interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or any other exchange traded product (each an "**exchange traded instrument**") or basket of interests in exchange traded instruments ("**ETI Securities**"), a specified debt instrument or basket of debt instruments ("**Debt Securities**"), a specified commodity or commodity index or basket of commodities and/or commodity indices ("**Commodity Securities**"), a specified inflation index or basket of inflation indices ("**Inflation Index Securities**"), a specified currency or basket of currencies ("**Currency Securities**"), a specified

fund share or unit or basket of fund shares or units ("**Fund Securities**"), a specified futures contract or basket of futures contract(s) ("**Futures Securities**"), a specified underlying interest rate or basket of underlying interest rates ("**Underlying Interest Rate Securities**"), the credit of a specified reference entity or reference entities ("**Credit Securities**"), a specified preference share issued by BNP Paribas Synergy Limited ("**Preference Share Certificates**"), W&C Securities issued by BNPP B.V. in respect of which BNPP B.V. grants security over certain of its assets ("**Secured Securities**") and/or W&C Securities which relate to any combination of such indices, shares, interests in exchange traded instruments, debt instruments, commodities, inflation indices, currencies, fund shares or units, futures contract(s), the credit of a specified reference entity or reference entities and other asset classes or types ("**Hybrid Securities**").

W&C Securities related to a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified inflation index or basket of inflation indices, specified currency or basket of currencies, a specified fund share or unit or basket of fund shares or units, the credit of a specified reference entity or reference entities, a specified futures contract or basket of futures contracts, or Hybrid Securities related to any of these asset classes, may not at any time be offered, sold, resold, held, traded, pledged, exercised (in the case of Warrants), settled or redeemed (in the case of Certificates), transferred or delivered, directly or indirectly, in the United States or to, by or for the account or benefit of, persons that are (i) U.S. persons as defined in Regulation S or that are not non-United States Persons as defined in Rule 4.7 under the United States Commodity Exchange Act, or (iii) any other U.S. person as such term may be defined in Regulation S or in regulations adopted under the Commodity Exchange Act, unless expressly provided for pursuant to any applicable U.S. wrapper to the Base Prospectus. Any such applicable U.S. wrapper may restrict the types of W&C Securities that can be offered, sold, resold, held, traded, pledged, exercised, redeemed, transferred or delivered and the terms of such W&C Securities.

If Averaging is specified as applying in the applicable Final Terms, the applicable Final Terms will state the relevant Averaging Dates and, if an Averaging Date is a Disrupted Day, whether Omission, Postponement or Modified Postponement (each as defined in Condition 20 in the case of Warrants or Condition 28 in the case of Certificates) applies.

References in these Terms and Conditions, unless the context otherwise requires, to Cash Settled Securities shall be deemed to include references to (a) Physical Delivery Securities, which include an option (as set out in the applicable Final Terms) at the Issuer's election to request cash settlement of such W&C Security pursuant to Condition 5.3 and where settlement is to be by way of cash payment, and (b) Physical Delivery Securities where settlement is to be automatically varied to be by way of cash payment pursuant to Condition 5.3. References in these Terms and Conditions, unless the context otherwise requires, to Physical Delivery Securities shall be deemed to include references to Cash Settled Securities which include an option (as set out in the applicable Final Terms) at the Issuer's election to request physical delivery of the relevant underlying asset in settlement of such W&C Security pursuant to Condition 5.3 and where settlement is to be by way of physical delivery. Unless otherwise specified in the applicable Final Terms, the Issuer does not have the option to vary settlement in respect of the U.S. Securities pursuant to Condition 5.3.

W&C Securities may, if specified in the applicable Final Terms, allow Holders to elect for settlement by way of cash payment or by way of physical delivery or by such other method of settlement as is specified in the applicable Final Terms. Those W&C Securities where the Holder has elected for cash payment will be Cash Settled Securities and those W&C Securities where the Holder has elected for physical delivery will be Physical Delivery Securities. The rights of a Holder as described in this



paragraph may be subject to the Issuer's right to vary settlement as indicated in the applicable Final Terms and will be subject to the Issuer's right to substitute assets or pay the Alternate Cash Amount (as defined below) in lieu of physical delivery in accordance with these Conditions.

## 2.2 Title to W&C Securities other than Registered Securities

In the case of W&C Securities represented by a Clearing System Global Security held by a Common Depository on behalf of a relevant Clearing System or held by a relevant Clearing System or by Euroclear France and French Law Securities, each person who is for the time being shown in the records of the relevant Clearing System (in the case of English Law Securities other than English Law Securities held through Euroclear France) or whose name appears in the account of the relevant Account Holder (in the case of French Law Securities or English Law Securities held through Euroclear France, together "**Euroclear France Securities**" or in the case of French Law Securities held by Euroclear Netherlands "**Euroclear Netherlands Securities**") as the holder of a particular amount of such W&C Securities (in which regard any certificate or other document issued by the relevant Clearing System or, as the case may be, Account Holder as to the amount of W&C Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall (except as otherwise required by law) be treated by the Issuer, the Guarantor, if any, and the relevant Security Agent as the holder of such amount of W&C Securities for all purposes (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions shall be construed accordingly).

In the case of Swedish Dematerialised Securities, the person for the time being shown in the Euroclear Sweden Register as the holder of a particular amount of W&C Securities shall (except as otherwise required by law) be treated for all purposes by the Issuer, the Guarantor, if any, the Security Agents, Euroclear Sweden and all other persons dealing with such person as the holder thereof and as the person entitled to exercise the rights represented thereby notwithstanding any notice to the contrary (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions shall be construed accordingly). The Issuer shall cause such W&C Securities to be accepted by Euroclear Sweden for clearing and registration in the Euroclear Sweden System in accordance with the SFIA Act and Euroclear Sweden Rules. The Issuer shall have the right to obtain extracts from the debt register of Euroclear Sweden.

In the case of Finnish Dematerialised Securities, the person in whose name the Finnish Dematerialised Security is registered in the book-entry account in the Euroclear Finland Register (including a nominee account holder, as the case may be) shall (except as otherwise required by law) be treated for all purposes by the Issuer, the Guarantor, if any, the Security Agents, Euroclear Finland and all other persons dealing with such person as the holder thereof and as the person entitled to exercise the rights represented thereby (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions shall be construed accordingly). Where a nominee is so evidenced it shall be treated as the holder of the relevant Finnish Dematerialised Securities. The Issuer shall cause such W&C Securities to be accepted by Euroclear Finland for clearing and registration in the Euroclear Finland System in accordance with Finnish laws, rules, regulations and operating procedures applicable to, and/or issued by Euroclear Finland. Notwithstanding any secrecy obligation, the Issuer shall be entitled to obtain information (including but not limited to information on Holders) from the Euroclear Finland Register maintained by Euroclear Finland as registrar on behalf of the Issuer in accordance with the rules of Euroclear Finland, and Euroclear Finland shall be entitled to provide such information to the Issuer notwithstanding any secrecy obligation. Furthermore, the Issuer shall, subject to regulations of Euroclear Finland and applicable laws, be entitled to acquire from Euroclear Finland a list of the holders of Finnish Dematerialised Securities, provided that it is technically possible for Euroclear

Finland to maintain such a list. The Issuer shall be entitled to pass such information to the Finnish Security Agent or to authorize such agent to acquire such information from Euroclear Finland directly. Except as ordered by a court of competent jurisdiction or as required by law, the Holder of any Finnish Dematerialised Securities shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the Holder.

In the case of Italian Dematerialised Securities, the person who is for the time being shown in the records of Monte Titoli as the holder of a particular amount of W&C Securities (in which regard any certificate, record or other document issued by Monte Titoli as to the amount of W&C Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall (except as otherwise required by applicable law) be treated for all purposes by the Issuer, the Guarantor, if any, the Italian Security Agent and all other persons dealing with such person as the holder thereof and as the person entitled to exercise the rights represented thereby notwithstanding any notice to the contrary (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions shall be construed accordingly, except where Italian law is applicable, in which case "**Holder**" and "**Holder of Securities**" will be exclusively deemed to be the beneficial owner of the W&C Securities). The Issuer shall cause Italian Dematerialised Securities to be dematerialised and centralised with Monte Titoli, pursuant to Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions.

Title to French Law Securities held through Euroclear France will be evidenced in accordance with Article L.211-3 of the French *Code Monétaire et Financier* by book-entries (*inscription en compte*). No document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code Monétaire et Financier*) will be issued in respect of such W&C Securities. The French Law Securities held through Euroclear France will, upon issue, be inscribed in the books of Euroclear France which will credit the accounts of the relevant Account Holders.

Title to OET Certificates cleared through Euroclear Netherlands is established by account entry in accordance with the Dutch Act on Giro Transfers of W&C Securities ('*Wet giraal effectenverkeer*'). No physical document or certificate will be issued in respect of such OET Certificates.

Once issued, OET Certificates that are Euroclear France Securities or Euroclear Netherlands Securities shall be deposited with Euroclear France or Euroclear Netherlands, as the case may be, acting as central depository and registered in an account in the books of Euroclear France or Euroclear Netherlands, as the case may be, which shall credit the accounts of the Account Holders (including Euroclear and Clearstream, Luxembourg).

However, the Issuer reserves the right, if such option is provided in the Final Terms, to have OET Certificates transferred from Euroclear France or Euroclear Netherlands, as the case may be, at any time (in the case of OET Certificates already issued) to, or to deposit the OET Certificates of a particular issue (in the case of OET Certificates yet to be issued) with, another depository whose registered office is situated within a European Economic Area country. In the event of a change of depository, the Issuer shall comply with all laws, regulations and tax rules applicable to the functions of such depository.

For the purpose of these Conditions, "**Account Holder**" means any authorised financial intermediary institution entitled to hold accounts, directly or indirectly, on behalf of its customers with Euroclear France or Euroclear Netherlands, and includes the depository bank for Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System.

In the case of W&C Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, the Rule 144A Global Security will be registered in the name of Cede & Co., as nominee of DTC, but this does not confer any rights or benefits on Cede & Co. or any other nominee of DTC in whose name a Rule 144A Global Security may be registered. Transfers of such Rule 144A Global Security by such nominee of DTC shall be limited to transfers of such Rule 144A Global Security, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee. Rights conferred by the Rule 144A Global Security are only enforceable by the Holders (as defined below) as provided therein. Subject as set forth in Condition 2.4 below, each person who is for the time being shown in the records of DTC as the Holder of a particular number (in the case of Warrants) or amount (in the case of Certificates) of W&C Securities shall (except as otherwise required by law) be treated by the Issuer and the New York Security Agent as the Holder of such number or amount, as the case may be, of W&C Securities for all purposes (and the expressions "**Holder of Securities**" and related expressions shall be construed accordingly).

In the case of Private Placement Definitive Securities, the Issuer shall cause to be kept at the principal office of the Definitive Security Agent, a register (the "**Private Placement Register**") on which shall be entered the names and addresses of all holders of Private Placement Definitive Securities, the number or amount, as the case may be, and type of Private Placement Definitive Securities held by them and details of all transfers of Private Placement Definitive Securities. Subject as set forth in Condition 2.4 below, the persons shown in the Private Placement Register (each a "**Holder**") shall (except as otherwise required by law) be treated as the absolute owners of the relevant Private Placement Definitive Securities for all purposes (regardless of any notice of ownership, trust, or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating such person.

## 2.3 Title to Registered Securities

Provisions relating to title to Registered Warrants are set out in Condition 23.

Provisions relating to title to Registered Certificates are set out in Condition 31.

## 2.4 Transfers of Interests in Clearing System Securities and Private Placement Definitive Securities

Transfers of Warrants may not be effected after the exercise of such Warrants pursuant to Condition 25.

Transfers of Certificates may not be effected after the redemption of such Certificates pursuant to Condition 34.

Subject as set forth in this Condition, all transactions (including permitted transfers of W&C Securities) in the open market or otherwise must be effected, in the case of W&C Securities represented by a Clearing System Global Security held by a Common Depository on behalf of Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, Euroclear Netherlands or Euroclear France, through an account at Clearstream, Luxembourg or Euroclear, as the case may be, and/or any other relevant Clearing System, or in the case of Euroclear France Securities or Euroclear Netherlands Securities as the case may be, through Account Holder(s), or in the case of W&C Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, through a direct or indirect participant of DTC, subject to and in accordance with the rules and procedures for the time being of the relevant Clearing System(s). Transfers in respect of Clearing System Securities governed by French Law must be effected through Account Holders(s). Title will pass upon registration of the transfer in the books of the relevant Clearing System.

Any reference herein to Clearstream, Luxembourg and/or Euroclear and/or DTC and/or Monte Titoli and/or any other relevant Clearing System shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Principal Security Agent from time to time and notified to the Holders in accordance with Condition 10.

Subject as set forth in this Condition, Private Placement Definitive Securities may be transferred by the then current Holder surrendering its Private Placement Definitive Security for registration of transfer at the specified office of the Definitive Security Agent, duly endorsed by, or accompanied by a written instrument of transfer (in the form satisfactory to BNPP and the Definitive Security Agent), and duly executed by the Holder or its duly authorised agent. Private Placement Definitive Securities may only be issued and transferred in minimum nominal amounts of U.S. \$250,000 or more.

(a) Transfers of W&C Securities to a person who takes delivery in the form of W&C Securities represented by a Regulation S Global Security or Rule 144A Global Security may be made only in accordance with the following provisions:

- (i) (A) in the case of transfers to a person who takes delivery in the form of W&C Securities represented by a Regulation S Global Security, from a Holder of W&C Securities represented by a Regulation S Global Security, to a non-U.S. person in an offshore transaction pursuant to Regulation S;
- (B) in the case of transfers within the Distribution Compliance Period to a person who takes delivery in the form of W&C Securities represented by a Rule 144A Global Security, from a Holder of W&C Securities represented by a Regulation S Global Security, only upon certification (in the form from time to time available from any Security Agent) to the New York Security Agent by the transferor thereof that such transfer is being made to (x) a person whom the transferor reasonably believes is a QIB acquiring such W&C Securities in a transaction meeting the requirements of Rule 144A, in the case of U.S. Securities issued by BNPP or (y) a person whom the transferor reasonably believes is a QIB and a QP, in the case of U.S. Securities issued by BNPP B.V., provided that, after the expiration of the Distribution Compliance Period, such certification requirement will no longer apply;
- (C) in the case of transfers to a person who takes delivery in the form of W&C Securities represented by a Regulation S Global Security, from a Holder of Private Placement Definitive Securities, upon certification (in the form from time to time available from any Security Agent) to the Principal Security Agent by the transferor thereof that such transfer is being made to a non-U.S. person in an offshore transaction pursuant to Regulation S;
- (D) in the case of transfers to a person who takes delivery in the form of W&C Securities represented by a Rule 144A Global Security, from a Holder of Private Placement Definitive Securities, upon certification (in the form from time to time available from any Security Agent) to the New York Security Agent by the transferor thereof that such transfer is being made to a person whom the transferor reasonably believes is (x) a QIB, in the case of U.S. Securities issued by BNPP or (y) a QIB and a QP, in the case of U.S. Securities issued by BNPP B.V., and, in either case, acquiring such W&C Securities in a transaction meeting the requirements of Rule 144A;

- (E) in the case of transfers to a person who takes delivery in the form of W&C Securities represented by a Rule 144A Global Security, from a Holder of W&C Securities represented by a Rule 144A Global Security, in a transaction meeting the requirements of Rule 144A and, in the case of W&C Securities issued by BNPP B.V. in accordance with paragraph (d) below;
  - (F) in the case of transfers to a person who takes delivery in the form of W&C Securities represented by a Regulation S Global Security, from a Holder of W&C Securities represented by a Rule 144A Global Security, upon certification (in the form from time to time available from any Security Agent) to the Principal Security Agent by the transferor thereof that such transfer is being made to a non-U.S. person in an offshore transaction pursuant to Regulation S; and
  - (G) in each case, in accordance with any applicable rules and regulations of the Principal Security Agent, the New York Security Agent, the Definitive Security Agent, the relevant Clearing System and/or as specified in the applicable Final Terms.
- (ii) The Holder must send:
- (A) in the case of transfers of Private Placement Definitive Securities, a free of payment instruction to the Definitive Security Agent, not later than 5.00 p.m., New York City time, at least two Business Days in New York prior to the date on which the transfer is to take effect;
  - (B) in the case of transfers of W&C Securities represented by a Regulation S Global Security or Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, a free of payment instruction to Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, as the case may be, not later than 10.00 a.m. local time in the city of the relevant Clearing System, one Business Day in the city of the relevant Clearing System prior to the date on which the transfer is to take effect; and
  - (C) in the case of transfers of W&C Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, a free of payment instruction to DTC, not later than 5.00 p.m. New York City time, at least two Business Days in New York prior to the date on which the transfer is to take effect.

Separate payment arrangements are required to be made between the transferor and the transferee.

- (iii) On the transfer date:
- (A) (I) in the case of transfers of W&C Securities represented by a Regulation S Global Security or a Rule 144A Global Security, the relevant Clearing System will debit the account of its participant and (II) in the case of transfers of Private Placement Definitive Securities, the Holder must deliver the Private Placement Definitive Securities the subject of the transfer to the

Definitive Security Agent and instruct the Definitive Security Agent to cancel the transferred Private Placement Definitive Securities; and

- (B) the relevant Clearing System or the Holder, as the case may be, will instruct (I) in the case of transfers to a person who takes delivery in the form of W&C Securities represented by a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, the Principal Security Agent to instruct Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, as the case may be, to credit the relevant account of the relevant Clearing System participant, and (II) in the case of transfers to a person who takes delivery in the form of W&C Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, (a) the New York Security Agent (in the case of transfers of W&C Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC) to credit the relevant account of the DTC participant, (b) the Definitive Security Agent (in the case of transfers of Private Placement Definitive Securities) to credit the relevant account of the DTC participant, or (c) the Principal Security Agent (in the case of transfers of W&C Securities represented by a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System) to instruct DTC to credit the relevant account of the relevant Clearing System at DTC and thereafter DTC will debit such account of the relevant Clearing System, and will credit the relevant account of the DTC participant.
- (iv) Upon any such transfers, on the transfer date:
  - (A) the Principal Security Agent, in the case of transfers to and/or from a person who takes delivery in the form of W&C Securities represented by a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, will increase or decrease, if appropriate, the number of W&C Securities represented by such Regulation S Global Security or Rule 144A Global Security, whereupon the number of W&C Securities represented by such Regulation S Global Security or Rule 144A Global Security, as the case may be, shall be increased or decreased, if appropriate, for all purposes by the number so transferred and endorsed; or
  - (B) the New York Security Agent, in the case of transfers to and/or from a person who takes delivery in the form of W&C Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, will increase or decrease, if appropriate, the number of W&C Securities represented by such Rule 144A Global Security, whereupon the number of W&C Securities represented by such Rule 144A Global Security shall be increased or decreased, if appropriate, for all purposes by the number so transferred and endorsed.

- (b) Transfers of W&C Securities to a person who takes delivery in the form of Private Placement Definitive Securities may be made only in accordance with the following provisions:
- (i) (A) in the case of transfers from a Holder of Private Placement Definitive Securities, upon (I) delivery of a duly executed investor representation letter from the relevant transferee in accordance with paragraph (c) below and (II) certification (in the form from time to time available from any Security Agent) to the Definitive Security Agent by the transferor thereof that such transfer is being made to (x) a person whom the transferor reasonably believes is an AI acquiring such W&C Securities in a transaction exempt from the registration requirements of the Securities Act, in the case of U.S. Securities issued by BNPP or (y) a person whom the transferor reasonably believes is a QIB and a QP in a transaction meeting the requirements of Rule 144A, in the case of U.S. Securities issued by BNPP B.V.;
  - (B) in the case of transfers from a Holder of W&C Securities represented by a Rule 144A Global Security, upon (I) delivery of a duly executed investor representation letter from the relevant transferee in accordance with paragraph (c) below and (II) certification (in the form from time to time available from any Security Agent) to the Definitive Security Agent by the transferor thereof that such transfer is being made to (x) a person whom the transferor reasonably believes is an AI acquiring such W&C Securities in a transaction exempt from the registration requirements of the Securities Act, in the case of U.S. Securities issued by BNPP or (y) a person whom the transferor reasonably believes is a QIB and a QP in a transaction meeting the requirements of Rule 144A, in the case of U.S. Securities issued by BNPP B.V.;
  - (C) in the case of transfers from a Holder of W&C Securities represented by a Regulation S Global Security, upon (I) delivery of a duly executed investor representation letter from the relevant transferee in accordance with paragraph (c) below and (II) within the Distribution Compliance Period only, certification (in the form from time to time available from any Security Agent) to the Definitive Security Agent by the transferor thereof that such transfer is being made to (x) a person whom the transferor reasonably believes is an AI acquiring such W&C Securities in a transaction exempt from the registration requirements of the Securities Act, in the case of U.S. Securities issued by BNPP or (y) a person whom the transferor reasonably believes is a QIB and a QP in a transaction meeting the requirements of Rule 144A, in the case of U.S. Securities issued by BNPP B.V.; and
  - (D) in each case, in accordance with any applicable securities laws of any state of the United States and any applicable rules and regulations of the New York Security Agent, the Definitive Security Agent, the relevant Clearing System and/or as specified in the applicable Final Terms.
  - (ii) The Holder must send:
    - (A) in the case of transfers of Private Placement Definitive Securities, a free of payment instruction to the Definitive Security Agent not later than 5.00 p.m.

New York City time, at least two Business Days in New York prior to the date on which the transfer is to take effect;

- (B) in the case of transfers of W&C Securities represented by a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, a free of payment instruction to Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, as the case may be, not later than 10.00 a.m. local time in the city of the relevant Clearing System, one Business Day in the city of the relevant Clearing System prior to the date on which the transfer is to take effect; and
- (C) in the case of transfers of W&C Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, a free of payment instruction to DTC, not later than 5.00 p.m. New York City time, at least two Business Days in New York prior to the date on which the transfer is to take effect.

Separate payment arrangements are required to be made between the transferor and the transferee.

(iii) On the transfer date:

- (A) in the case of transfers of W&C Securities represented by a Clearing System Global Security, the relevant Clearing System will debit the account of its participant and, in the case of transfers of Private Placement Definitive Securities, the Holder must deliver the Private Placement Definitive Securities the subject of the transfer to the Definitive Security Agent and instruct the Definitive Security Agent to cancel the transferred Private Placement Definitive Securities; and
- (B) the relevant Clearing System or the Holder, as the case may be, will instruct the Definitive Security Agent to deliver or procure the delivery of new Private Placement Definitive Securities, of a like number to the number of W&C Securities transferred, to the transferee at its specified office or send such new Private Placement Definitive Securities, by uninsured mail, at the risk of the transferee, to such address as the transferee may request.

(iv) Upon any such transfer, on the transfer date:

- (A) the Principal Security Agent will, in the case of transfers of W&C Securities represented by a Regulation S Global Security or Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, decrease the number of W&C Securities represented by such Regulation S Global Security or Rule 144A Global Security, if appropriate, whereupon the number of W&C Securities represented by such Regulation S Global Security or Rule 144A Global Security shall, if appropriate, be reduced for all purposes by the number so transferred or exchanged and endorsed; or
- (B) the New York Security Agent will, in the case of transfers of W&C Securities represented by a Rule 144A Global Security held by a Custodian



on behalf of DTC, decrease the number of W&C Securities represented by such Rule 144A Global Security, if appropriate, whereupon the number of W&C Securities represented by such Rule 144A Global Security shall, if appropriate, be decreased for all purposes by the number so transferred and endorsed.

- (c) In the case of transfers of W&C Securities to a person who takes delivery in the form of a Private Placement Definitive Security, the delivery of a duly executed investor representation letter in the form set out in the Agency Agreement (an "**Investor Representation Letter**") from the relevant transferee to the Definitive Security Agent is a condition precedent to the transfer of such Private Placement Definitive Security or any beneficial interests therein. The Investor Representation Letter must be duly executed by such proposed transferee or such proposed transferee's attorney duly authorised in writing, at least three Business Days in New York prior to the date the transfer of such Private Placement Definitive Security is desired. Any attempted transfer in which the Investor Representation Letter and the proposed transfer was not effected in accordance with the foregoing procedures shall not be valid or binding on the Issuer.

If (i) the Principal Security Agent (in relation to Regulation S Global Securities or Rule 144A Global Securities held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System) or (ii) the New York Security Agent (in relation to Rule 144A Global Securities held by a Custodian on behalf of DTC) or (iii) the Definitive Security Agent (in relation to Private Placement Definitive Securities) subsequently determines or is subsequently notified by the Issuer that (A) a transfer or attempted or purported transfer of any interest in a Private Placement Definitive Security was consummated in compliance with the provisions of this paragraph on the basis of an incorrect form or certification from the transferee or purported transferee as set forth in the relevant Investor Representation Letter, or (B) the Holder of any interest in any W&C Security was in breach, at the time given, of any representation or agreement given by such Holder (including, but not limited to, in the case of Private Placement Definitive Securities, any such representation or agreement set forth in the relevant Investor Representation Letter) or (iii) a transfer or attempted transfer of any interest in any W&C Security was consummated that did not comply with the transfer restrictions set forth in this Condition 2.4, the purported transfer shall be absolutely null and void *ab initio* and shall vest no rights in the purported transferee (such purported transferee, a "**Disqualified Transferee**") and the last preceding Holder of such interest that was not a Disqualified Transferee shall be restored to all rights as a Holder thereof retroactively to the date of transfer of such interest by such Holder.

- (d) In the case of transfers of W&C Securities to a person who takes delivery in the form of W&C Securities represented by a Rule 144A Global Security issued by BNPP or BNPP B.V. the transferor shall have agreed in an Investor Representation Letter to certain restrictions on transfer and, the transfer shall be subject to the delivery of a duly executed Investor Representation Letter from the relevant transferee to BNPP or BNPP B.V. as applicable. Any attempted transfer that is not in accordance with the procedures set forth in the transferor's Investor Representation Letter and with any procedures set forth in any applicable U.S. wrapper to the Base Prospectus shall not be valid or binding on BNPP or BNPP B.V..

## 2.5 Transfer of Registered Securities

Provisions relating to the transfer of Registered Warrants are set out in Condition 23.

Provisions relating to the transfer of Registered Certificates are set out in Condition 31.

## 2.6 Transfer of Swedish Dematerialised Securities

Title to Swedish Dematerialised Securities will pass upon entry in the Euroclear Sweden Register (or, if applicable, notice to a nominee under the terms of the SFIA Act) in accordance with the SFIA Act.

## 2.7 Transfer of Finnish Dematerialised Securities

Title to Finnish Dematerialised Securities shall pass by transfer from a Holder's book-entry account to another person's, whether a legal person or an individual, book-entry account within Euroclear Finland (except where the Finnish Dematerialised Securities are nominee-registered and are transferred from one account to another account with the same nominee). Finnish Dematerialised Securities will be transferable only in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear Finland.

## 2.8 Transfer of Italian Dematerialised Securities

Title to Italian Dematerialised Securities will pass upon registration of the transfer in the records of Monte Titoli.

# 3. STATUS OF THE W&C SECURITIES AND GUARANTEE

Where the Issuer is BNPP B.V. or BNPP the W&C Securities are unsubordinated and unsecured obligations of the relevant Issuer and rank *pari passu* among themselves.

Where the W&C Securities are issued by BP2F the W&C Securities constitute direct, unconditional, unsubordinated and unsecured and general obligations of the Issuer and rank *pari passu* (subject to mandatorily preferred debts under applicable laws) without any preference among themselves and at least equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations, including guarantees and other obligations of a similar nature of the Issuer.

Where the W&C Securities are issued by BGL the W&C Securities and constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the W&C Securities relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness of the Issuer present and future (other than indebtedness or monetary obligations preferred by mandatory provisions of law).

Where the Issuer is BNPP B.V., the Guarantee is an unsubordinated and unsecured obligation of BNPP and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

Where the Issuer is BP2F, the BNPPF W&C Securities Guarantee constitutes direct, unconditional, irrevocable, unsubordinated and unsecured obligations of BNPPF and ranks *pari passu* (subject to mandatorily preferred debts under applicable laws) equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations of BNPPF.

# 4. GUARANTEE

Where the Issuer is BNPP B.V. or BP2F, subject as provided below and in the relevant Guarantee, the relevant Guarantor has unconditionally and irrevocably (a) guaranteed to each Holder all obligations of

the Issuer in respect of such Holder's W&C Securities as and when such obligations become due and (b) agreed that if and each time that the Issuer fails to satisfy any obligations under such W&C Securities as and when such obligations become due, the relevant Guarantor will after a demand has been made on the relevant Guarantor pursuant thereto (without requiring the relevant Holder first to take steps against the Issuer or any other person) make or cause to be made such payment or satisfy or cause to be satisfied such obligations as though the relevant Guarantor were the principal obligor in respect of such obligations provided that (i) in the case of Physical Delivery Certificates and, in the case of Physical Delivery Warrants that are Call Warrants, notwithstanding that the Issuer had the right to vary settlement in respect of such Physical Delivery Securities in accordance with Condition 5.3 and exercised such right or failed to exercise such right, the relevant Guarantor will have the right at its sole and unfettered discretion to elect not to deliver or procure delivery of the Entitlement to the Holders of such Physical Delivery Securities, but in lieu thereof, to make payment in respect of each such Physical Delivery Security of an amount determined by the relevant Guarantor in its sole and absolute discretion equal to the Cash Settlement Amount that would have been payable upon exercise (in the case of Warrants) or redemption (in the case of Certificates) of such W&C Securities assuming they were Cash Settled Securities calculated pursuant to the terms of the relevant Final Terms, or in the case of lack of liquidity of the underlying, the fair market value of such W&C Security less the costs of unwinding any underlying related hedging arrangements (the "**Guaranteed Cash Settlement Amount**") and (ii) in the case of W&C Securities where the obligations of the Issuer which fail to be satisfied constitute the delivery of the Entitlement to the Holders, the Guarantor will as soon as practicable following the failure by the Issuer to satisfy its obligations under such W&C Securities deliver or procure delivery of such Entitlement using the method of delivery specified in the applicable Final Terms provided that, if in the opinion of the relevant Guarantor, delivery of the Entitlement using such method is not practicable by reason of (A) a Settlement Disruption Event (as defined in Condition 5.1) or (B) if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms, a Failure to Deliver due to Illiquidity (as defined in Condition 15.1), in lieu of such delivery the relevant Guarantor will make payment in respect of each such W&C Security of, in the case of (A) above, the Guaranteed Cash Settlement Amount or, in the case of (B) above, the Failure to Deliver Settlement Price (as defined in Condition 15.2). Any payment of the Guaranteed Cash Settlement Amount or the Failure to Deliver Settlement Price, as the case may be, in respect of a W&C Security shall constitute a complete discharge of the relevant Guarantor's obligations in respect of such W&C Security. Payment of the Guaranteed Cash Settlement Amount as the Failure to Deliver Settlement Price, as the case may be, will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

## **5. GENERAL PROVISIONS RELATING TO PHYSICAL SETTLEMENT IN RESPECT OF W&C SECURITIES**

### **5.1 Settlement Disruption**

If, in the opinion of the Calculation Agent, delivery of the Entitlement using the method of delivery specified in the applicable Final Terms or such commercially reasonable manner as the Calculation Agent has determined is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on any Settlement Date (in the case of Warrants) or Delivery Date (in the case of Certificates), then such Settlement Date or Delivery Date, as the case may be, for such W&C Securities shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event, provided that the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant W&C Security or in the case of Warrants, if applicable, Unit, as the case may be, by delivering the Entitlement using such other commercially reasonable manner as it may select and in such event the Settlement Date or Delivery Date, as the case may be, shall be such day as the Issuer deems appropriate in connection with delivery of the Entitlement in such

other commercially reasonable manner. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Entitlement, the Settlement Date or Delivery Date, as the case may be, for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Settlement Date or Delivery Date, as the case may be.

In the case of Warrants, in the event that a Settlement Disruption Event will result in the delivery on a Settlement Date of some but not all of the Relevant Assets comprising the Entitlement, the Calculation Agent shall determine in its discretion the appropriate *pro rata* portion of the Exercise Price to be paid by the relevant Holder in respect of that partial settlement.

For so long as delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, except in the case of U.S. Securities (in which case another price or prices will be specified in the applicable Final Terms), the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant W&C Security or in the case of Warrants, if applicable, Unit, as the case may be, by payment to the relevant Holder of the Disruption Cash Settlement Price (as defined below) on the fifth Business Day following the date that notice of such election is given to the Holders in accordance with Condition 10. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Holders in accordance with Condition 10. The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 10 that a Settlement Disruption Event has occurred. No Holder shall be entitled to any payment in respect of the relevant W&C Security or in the case of Warrants, if applicable, Unit, as the case may be, in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer or the Guarantor (if any).

For the purposes hereof:

**"Disruption Cash Settlement Price"** means, in respect of any relevant W&C Security or in the case of Warrants, if applicable, Unit, as the case may be, the fair market value of such W&C Security or in the case of Warrants, if applicable, Unit, as the case may be (disregarding, where the Settlement Disruption Event affected some but not all of the Relevant Assets comprising the Entitlement and such non-affected Relevant Assets have been duly delivered as provided above, the value of such non-affected Relevant Assets), less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements all as determined by the Issuer in its sole and absolute discretion, plus in the case of Warrants, if applicable and if already paid, the Exercise Price (or, where as provided above some Relevant Assets have been delivered, and a pro rata portion thereof has been paid, such *pro rata* portion);

**"Settlement Business Day"** has the meaning specified in the applicable Final Terms; and

**"Settlement Disruption Event"** means, in the opinion of the Calculation Agent or, if the proviso to Condition 4 applies, the relevant Guarantor, an event beyond the control of the Issuer or, if the proviso to Condition 4 applies, the relevant Guarantor as a result of which the Issuer or the relevant Guarantor, as the case may be, cannot make delivery of the Relevant Asset(s) using the method specified in the applicable Final Terms.

## 5.2 Failure to Deliver due to Illiquidity

**"Failure to Deliver due to Illiquidity"**, if specified as applying in the applicable Final Terms, will be an Optional Additional Disruption Event, as described in Condition 15.1 below.

### 5.3 Variation of Settlement

- (a) If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the W&C Securities (which, unless otherwise specified, will not apply to U.S. Securities), and subject in the case of Warrants to a valid exercise of the Warrants in accordance with these Conditions, the Issuer may at its sole and absolute discretion in respect of each such W&C Security or in the case of Warrants, if applicable, Unit, elect not to pay the relevant Holders the Cash Settlement Amount or to deliver or procure delivery of the Entitlement to the relevant Holders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Cash Settlement Amount on the Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates) to the relevant Holders, as the case may be. Notification of such election will be given to Holders in accordance with Condition 10.
- (b) If specified in the applicable Final Terms, and subject in the case of Warrants to a valid exercise of Warrants in accordance with these Conditions, the Issuer shall, in respect of each such W&C Security or in the case of Warrants, if applicable, each Unit, in lieu of delivering or procuring the delivery of the Entitlement to the relevant Holders, make payment of the Cash Settlement Amount on the Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates) to the relevant Holders.

### 5.4 Issuer's Option to Substitute Assets or to pay the Alternate Cash Amount

Following a valid exercise or redemption, as the case may be, of W&C Securities in accordance with these Conditions, the Issuer may, in its sole and absolute discretion in respect of such W&C Securities, if the Calculation Agent determines (in its sole and absolute discretion) that the Relevant Asset or Relevant Assets, as the case may be, comprise(s) shares or interests in ETIs which are not freely tradable, elect either (a) to substitute for the Relevant Asset or the Relevant Assets, as the case may be, an equivalent value (as determined by the Calculation Agent in its sole and absolute discretion) of such other shares or interests in ETIs which the Calculation Agent determines, in its sole and absolute discretion, are freely tradable (the "**Substitute Asset**" or the "**Substitute Assets**", as the case may be) or (b) not to deliver or procure the delivery of the Entitlement or the Substitute Asset or Substitute Assets, as the case may be, to the relevant Holders, but in lieu thereof to make payment to the relevant Holders on the Settlement Date of an amount equal to the fair market value of the Entitlement on the Valuation Date as determined by the Calculation Agent in its sole and absolute discretion by reference to such sources as it considers appropriate (the "**Alternate Cash Amount**"). Notification of any such election will be given to Holders in accordance with Condition 10.

For the purposes hereof, a "**freely tradable**" share or interest in an ETI shall mean (i) with respect to the United States, a share or interest in an ETI, as the case may be, which is registered under the Securities Act or not restricted under the Securities Act and which is not purchased from the issuer of such share or interest in an ETI, as the case may be, and not purchased from an Affiliate of the issuer of such share or interest in an ETI, as the case may be, or which otherwise meets the requirements of a freely tradable share or interest in an ETI, as the case may be, for purposes of the Securities Act, in each case, as determined by the Calculation Agent in its sole and absolute discretion or (ii) with respect to any other jurisdiction, a share or interest in an ETI, as the case may be, not subject to any legal restrictions on transfer in such jurisdiction.

5.5 Commodity Securities shall not be Physical Delivery Securities.

## **6. GENERAL**

None of the Issuers, the Guarantor (if applicable), the Calculation Agent and any Security Agent shall have any responsibility for any errors or omissions in the calculation of any Cash Settlement Amount or of any Entitlement.

The purchase of W&C Securities does not confer on any Holder of such W&C Securities any rights (whether in respect of voting, distributions or otherwise) attaching to any Relevant Asset.

## **7. ILLEGALITY AND FORCE MAJEURE**

### **7.1 Illegality**

If the Issuer determines that the performance of its obligations under the W&C Securities has become illegal in whole or in part for any reason, the Issuer may, in the case of Warrants, cancel, or in the case of Certificates, redeem all but not some only of the W&C Securities by giving notice to Holders in accordance with Condition 10.

If the Issuer cancels or redeems, as the case may be, the W&C Securities then the Issuer will, if and to the extent permitted by applicable law, and except as may be limited in the case of U.S. Securities, pay an amount to each Holder in respect of each W&C Security, or in the case of Warrants, if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder, which amount shall be equal to the fair market value of a W&C Security or Unit, as the case may be, notwithstanding such illegality less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements plus, in the case of Warrants, if applicable and if already paid by or on behalf of the Holder, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

Should any one or more of the provisions contained in these Terms and Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

### **7.2 Force Majeure**

If the Issuer determines that by reason of force majeure or act of state occurring after the Trade Date it becomes impossible or impracticable to perform in whole or in part its obligations under the W&C Securities and/or any related hedging arrangements, the Issuer may, in the case of Warrants, cancel, or in the case of Certificates, redeem the W&C Securities by giving notice to Holders in accordance with Condition 10.

If the Issuer cancels or redeems, as the case may be, the W&C Securities then the Issuer will, if and to the extent possible or practicable, pay an amount (if any) to each Holder in respect of each W&C Security, or in the case of Warrants, if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder, which amount shall be equal to the fair market value (if any) of a W&C Security or Unit, as the case may be, taking into account such force majeure or act of state less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements plus, in the case of Warrants, if applicable and if already paid by or on behalf of the Holder, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Any payment will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

## **8. PURCHASES**

### **8.1 Purchase and cancellation by BNPP B.V. and BP2F in respect of any W&C Securities and by BNPP in respect of Warrants**

The Issuer may, but is not obliged to, at any time purchase W&C Securities at any price in the open market or by tender or private treaty. In the case of BNPP B.V., BP2F or BGL, any W&C Securities or, in the case of BNPP, any Warrants so purchased may be held or resold or surrendered for cancellation, provided however, that W&C Securities so purchased may only be resold pursuant to an exemption from the registration requirements of the Securities Act provided by Rule 144A, Regulation S or otherwise thereunder.

### **8.2 Purchase by BNPP in respect of Certificates**

The Issuer may, but is not obliged to, at any time purchase Certificates at any price in the open market or by tender or private treaty.

Certificates so purchased by the Issuer may be held or resold in accordance with applicable laws and regulations for the purpose of enhancing the liquidity of the Certificates, or cancelled.

### **8.3 Cancellation by BNPP in respect of Certificates**

All Certificates which are purchased for cancellation by the Issuer will forthwith be cancelled and accordingly may not be re-issued or resold.

## **9. SECURITY AGENTS, REGISTRAR, DETERMINATIONS, MEETINGS PROVISIONS AND MODIFICATIONS**

### **9.1 Security Agents and Registrar**

The specified offices of each of the Security Agents and the Registrar are as set out at the end of these Terms and Conditions.

Each of the Issuer and the Guarantor, if any, reserves the right at any time to vary or terminate the appointment of any Security Agent or the Registrar and to appoint further or additional Security Agents or a further or additional Registrar, provided that no termination of appointment of the Security Agent or the Registrar, as the case may be, shall become effective until a replacement Security Agent or a replacement Registrar, as the case may be, shall have been appointed and provided that, so long as any of the W&C Securities are listed on a stock exchange or are admitted to trading by another relevant authority, there shall be a Security Agent having a specified office in each location required by the rules and regulations of the relevant stock exchange or other relevant authority and, if the W&C Securities are Registered Securities, there shall be a Registrar. So long as any of the W&C Securities are Private Placement Definitive Securities, there shall be a Definitive Security Agent, and so long as any of the W&C Securities are represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, there shall be a New York Security Agent. Notice of any termination of appointment and of any changes in the specified office of any of the Security Agents or the Registrar will be given to Holders in accordance with Condition 10. In acting under the Agency Agreement, the Security Agent and the Registrar act solely as agents of the Issuer and the Guarantor, if any, and do not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders and any determinations and calculations made in respect of the W&C Securities by the Security Agent or the Registrar shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, if any, and the respective Holders.

In the case of Swedish Dematerialised Securities the relevant Issuer is entitled to vary or terminate the appointment of the Swedish Security Agent, provided that it appoints another Swedish Security Agent that is duly authorised under the SFIA Act as an account operator.

In the case of Finnish Dematerialised Securities the relevant Issuer is entitled to vary or terminate the appointment of the Finnish Security Agent, provided that it appoints another Finnish Security Agent, that is duly authorised under the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) as an account operator.

## 9.2 Calculation Agent

In relation to each issue of W&C Securities, the Calculation Agent (whether it be BNP Paribas, BNP Paribas Arbitrage S.N.C. or another entity) acts solely as agent of the Issuer and the Guarantor, if any, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. All calculations and determinations made in respect of the W&C Securities by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, if any, and the Holders. Because the Calculation Agent may be an Affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and the Holders, including with respect to certain determinations and judgments that the Calculation Agent must make.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

## 9.3 Determinations by the Issuer and the Guarantor

Any determination made by the Issuer or the Guarantor, if any, pursuant to these Terms and Conditions shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, if any, and the Holders.

## 9.4 Meetings of Holders

### (a) English Law Securities

The Agency Agreement contains provisions for convening meetings of the Holders of English Law Securities to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of the Terms and Conditions or the Agency Agreement. At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the date, time and place of the meeting shall be given to Holders. Such a meeting may be convened by the Issuer, the Guarantor, if any, or Holders holding not less than 5 per cent. (by number) of the W&C Securities for the time being, in the case of Warrants, remaining unexercised or, in the case of Certificates, outstanding. The quorum at a meeting of the Holders (except for the purpose of passing an Extraordinary Resolution) will be two or more persons holding or representing not less than 20 per cent. (by number) of W&C Securities, in the case of Warrants, for the time being remaining unexercised or, in the case of Certificates, outstanding, or at any adjourned meeting two or more persons being or representing Holders whatever the number of English Law Securities so held or represented. The quorum at a meeting of Holders for the purpose of passing an Extraordinary Resolution will be two or more persons holding or representing not less than 50 per cent. (by number) of the W&C Securities, in the case of Warrants, for the time being remaining unexercised or, in the case of Certificates, outstanding, or at any adjourned meeting two or more persons being holding or representing not less than 10 per cent. (by number) of the W&C Securities for the time being remaining unexercised or outstanding, as the case may be. A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three



fourths of the votes cast by Holders at such meeting who, being entitled to do so, vote in person or by proxy. An Extraordinary Resolution passed at any meeting of the Holders shall be binding on all the Holders, whether or not they are present at the meeting, except, in the case of Warrants, for those Warrants remaining unexercised but for which an Exercise Notice shall have been received as described in Condition 25 prior to the date of the meeting. Warrants which have not been exercised but in respect of which an Exercise Notice has been received as described in Condition 25 will not confer the right to attend or vote at, or join in convening, or be counted in the quorum for, any meeting of the Holders. Resolutions can be passed in writing if passed unanimously.

(b) French Law Securities

If the relevant Final Terms specify that Holders will be grouped automatically for the defence of their common interests constituting a separate legal body called *masse* (the **Masse**), the Masse will be governed by the provisions of Articles L.228-46 *et seq* of the French *Code de commerce* subject to the provisions of sub-paragraph (i) below.

If the relevant Final Terms specify that Holders shall not be grouped in a Masse, a general meeting of Holders (the **General Meeting**) may be convened to consider some matters relating to any series of French Law Securities as provided hereunder in sub-paragraphs (ii) to (v) below.

(i) Representation

If the provisions of the Masse are specified as applicable in the applicable Final Terms, the below provisions will apply:

The names and addresses of the initial Representative of the Masse and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first tranche of any series of French Law Securities will be the representative of the single Masse of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the general meeting of the Holders.

The place where a general meeting shall be held will be set out in the notice convening such general meeting.

If the provisions of the Masse are specified as applicable in the applicable Final Terms, Holders shall not be represented by any representative of such body.

(ii) Powers of the General Meetings

The General Meeting is empowered to deliberate on any proposal relating to any matter affecting the interests of the Holders of the French Law Securities and their rights, actions and benefits which now or in the future may accrue with respect to the French Law Securities, including the:

- (A) power to agree to any modification of the French Law Securities including but not limited to, a modification of the Exercise Price (in the case of

Warrants), Exercise Period (in the case of Warrants), Cash Settlement Amount, Entitlement, Expiration Date (in the case of Warrants), Redemption Date (in the case of Certificates), Settlement Date or more generally the modification of any term which can affect the amount to be paid under a French Law Security or the scheduled payment date, which is proposed by the Issuer;

- (B) power to give any authority or approval which under the provisions of this Condition 9.4(b) is required to be given by a resolution of the General Meeting;
- (C) power to appoint any persons (whether Holders or not) to a committee or committees to confer upon any such committee or committees any powers or discretions which the Holders could themselves exercise by a resolution of the General Meeting; and
- (D) power to approve any contractual compromise or arrangement proposed to be made between the Issuer and the relevant Holders in respect of the rights of the Holders against the Issuer or against any of its property.

It is specified, however, that a General Meeting may not:

- I. appoint any person as the representative of the Holders of any series for all actions intended to defend the common interests of the Holders, and particularly to bring any court or arbitration action or proceedings, against the Issuer or any Agent; and
- II. agree on (a) any modification of the majority required to pass a resolution of the General Meeting, (b) any proposal relating to a change in the Issuer's corporate purpose or status, (c) any proposal for a settlement or a transaction concerning disputed rights or rights in respect of which court decisions have been handed down, or (d) proposals to merge or demerge the Issuer.

Any resolution passed at a General Meeting of the Holders of a series of French Law Securities, duly convened and held in accordance with the provisions of this Condition, shall be binding upon all the Holders of such series of French Law Securities whether present or not present at the meeting and whether or not voting and each of them shall be bound to give effect to the resolution accordingly and the passing of any resolution shall be conclusive evidence that the circumstances justify its passing.

General Meetings may deliberate validly on first convocation only if Holders present or represented hold at least a fifth of the French Law Securities then, in the case of Warrants, remaining unexercised or, in the case of Certificates, outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third majority of votes cast by Holders attending such General Meetings or represented thereat.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 10 by the Issuer within 14 calendar days of the result being known provided that non-publication shall not invalidate the resolution.

- (iii) Convening and holding of the General Meeting

The General Meeting shall be convened by an authorised representative of the Issuer or by the liquidators or natural or physical persons performing equivalent functions during any possible winding-up or equivalent insolvency period and held, all with the same formal and deadline conditions as the shareholders' meetings of the Issuer including the provisions of Articles R. 225-66, R. 225-95, R. 225-101, R. 225-106 and R. 225-107 but excluding the provisions of Articles R. 225-72 to R. 225-74 of the French *Code de commerce*.

Any meeting unduly convened may be cancelled. However, the action to cancel this shall not be admissible when all the Holders of the relevant series are present or represented.

The day, time and place of the meeting and agenda of a meeting are determined at its discretion by the person convening it. However, one or more Holders holding at least one thirtieth of the relevant series of French Law Securities then, in the case of Warrants, remaining unexercised or, in the case of Certificates, outstanding are entitled to require that draft resolutions be placed on the agenda. Such resolutions are placed on the agenda and put to the vote by the chairman of the meeting. The meeting shall not deliberate on an item which is not placed on the agenda. The agenda for the meeting may be amended on a second convening.

The meeting shall be chaired by a representative of the Issuer.

An attendance sheet is kept for each meeting. The decisions taken at each meeting are recorded in minutes signed by the members of the committee which are entered in a special register kept at the registered office of the Issuer. The elements that must be included in the attendance sheet and the minutes are the same as with respect to the shareholders' meetings of the Issuer.

All Holders of the relevant series of French Law Securities are entitled to participate in the meeting or to be represented at it by the representative of their choice. Any Holder may vote by correspondence with the same formal and deadline conditions as the shareholders' meetings of the Issuer. Any contrary provision in the articles of association is deemed not to exist. When the quorum is calculated, only voting forms received by the Issuer before the date of the meeting in the manner and within the time limits being the same as for the shareholders' meetings of the Issuer shall be included in such calculation. Forms which do not indicate a voting intention or which express an abstention are treated as negative votes. If the articles of association of the Issuer so provide, Holders who participate in the meeting via videoconferencing or via a telecommunications medium which permits their identification are deemed to be present for calculation of the quorum and the majority.

The rights of each Holder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Holder on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting at 00.00, Paris time. The voting right in General Meetings shall belong to the bare owner (*nu-propriétaire*) of the relevant French Law Securities. Each French Law Security shall confer the right to one vote.

Holdings shall not be allowed individually to exercise control over the operations of the Issuer or to request notification of Issuer documents.

(iv) Information to Holders

Each Holder will have the right, during the 15-day period preceding the holding of the relevant General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant Holders at the registered office of the Issuer, at the specified offices of any of the Security Agents during usual business hours and at any other place specified in the notice of the General Meeting. The relevant Holders shall at all times have the same right with regard to the minutes and attendance sheets of the said General Meeting.

(v) Expenses

The Issuer will pay all expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting.

In the case of Certificates, it is expressly stipulated that no expenses may be imputed against interest payable under the Certificates.

9.5 Modifications

The Issuer may modify these Terms and Conditions and/or the Agency Agreement without the consent of the Holders (but in the case of Swedish Dematerialised Securities, with the consent of Euroclear Sweden and in the case of Finnish Dematerialised Securities, with the consent of Euroclear Finland) in any manner which the Issuer may deem necessary or desirable provided that such modification is not materially prejudicial to the interests of the Holders or such modification is of a formal, minor or technical nature or to cure, correct or supplement a manifest or proven error or to cure, correct or supplement any defective provision contained herein and/or therein or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated. Notice of any such modification will be given to the Holders in accordance with Condition 10 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

**10. NOTICES**

All notices to Holders shall be valid if:

- (a) (i) in the case of Clearing System Securities (other than W&C Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, Italian Listed Securities, Euroclear France Securities listed on Euronext Paris or Euroclear Netherlands Securities listed on Euronext Amsterdam and W&C Securities issued and cleared through Iberclear and listed on the Madrid Stock Exchange), Registered Certificates represented by a Registered Global Certificate and Italian Dematerialised Securities, delivered to the relevant Clearing System (in the case of English Law Securities), or to the relevant Account Holder (in the case of French Law Securities) for communication by them to the Holders;
- (ii) in the case of W&C Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, to DTC for communication by it to the Holders and any such notices shall be conclusively presumed to have been received by the Holders;
- (iii) in the case of Clearing System Securities which are Italian Listed Securities or Euroclear France Securities listed on Euronext Paris or Euroclear Netherlands

Securities listed on Euronext Amsterdam, published by Borsa Italiana S.p.A., Euronext Paris or Euronext Amsterdam, as the case may be and in the case of OET Certificates, published on the "Certificate" website of the Issuer ("www.produitsde bourse.bnpparibas.fr") or other website of the Issuer as may be notified to Holders;

- (iv) in the case of W&C Securities issued and cleared through Iberclear and listed on the Madrid Stock Exchange, published by the Madrid Stock Exchange or, if applicable, in the manner specifically provided by Spanish law and regulations for the relevant notice, as the case may be;
  - (v) in the case of W&C Securities represented by Private Placement Definitive Securities, mailed to their registered addresses appearing in the Private Placement Register;
  - (vi) in the case of Registered Warrants or Registered Certificates in definitive form, mailed to their registered addresses appearing in the Register;
  - (vii) in the case of Swedish Dematerialised Securities, mailed by Euroclear Sweden in accordance with the SFIA Act and the Euroclear Sweden rules; or
  - (viii) in the case of Finnish Dematerialised Securities, mailed to a Holder on the address registered for such Holder in the Euroclear Finland Register maintained by Euroclear Finland in accordance with the rules of Euroclear Finland; and
- (b) for so long as the W&C Securities are listed on a stock exchange or are admitted to trading by another relevant authority, in accordance with the rules and regulations of the relevant stock exchange or other relevant authority (in the case of Italian Dematerialised Securities that are Italian Listed Securities, such notices shall be published by Borsa Italiana S.p.A.). If the W&C Securities are listed and admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange or the Official List of the Luxembourg Stock Exchange, and so long as the rules of the Luxembourg Stock Exchange so require, notices shall be made available on the website of the Luxembourg Stock Exchange (www.bourse.lu). Any such notice shall be deemed to have been given on the second Business Day following such delivery or, if earlier, the date of such publication or, if published more than once, on the date of the first such publication.

## **11. EXPENSES AND TAXATION**

- 11.1 A Holder must pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the exercise and settlement (in the case of Warrants or Exercisable Certificates) or redemption (in the case of Certificates) of the W&C Securities and/or the delivery or transfer of the Entitlement (as applicable) pursuant to the terms of such W&C Securities ("**Security Expenses**") relating to such W&C Securities as provided above.
- 11.2 The Issuer shall deduct from amounts payable or from assets deliverable to Holders all Related Expenses, not previously deducted from amounts paid or assets delivered to Holders, as the Calculation Agent shall in its sole and absolute discretion determine are attributable to the W&C Securities.

For the avoidance of doubt, the Issuer shall not be liable for any Related Expenses and Holders shall be liable to pay the Related Expenses attributable to their W&C Securities.

**"Expenses"** means Security Expenses and any Related Expenses.

**"Related Expenses"** means (a) all present, future, prospective, contingent or anticipated Taxes which are (or may be) or were (or may have been) withheld or payable under the laws, regulations or administrative practices of any state (or any political sub-division or authority thereof or therein) and (b) any other present, future, or contingent expenses (including without limitation, any applicable depositary charges, transaction charges, issue registration, securities transfer or other expenses) which are (or may be) or were (or may have been) payable, in each case in respect of or in connection with:

- (a) the issue, transfer or enforcement of the W&C Securities;
- (b) any payment (or delivery of assets) to Holders;
- (c) a person or its agent's assets or any rights, distributions of dividends appertaining to such assets (had such an investor (or agent) purchased, owned, held, realised, sold or otherwise disposed of assets) in such a number as the Calculation Agent, in its sole and absolute discretion, may determine to be appropriate as a hedge or related trading position in connection with the W&C Securities; or
- (d) any of the Issuer's (or any Affiliates') other hedging arrangements in connection with the W&C Securities.

**"Taxes"** means taxes, levies, imposts, duties, deductions, withholdings, assessments or other charges (including any stamp, registration or transfer tax, duty or other charge or tax on income, payments (or delivery of assets), profits or capital gains) together with any interest, additions to tax or penalties.

## **12. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of Holders to create and issue further W&C Securities so as to be consolidated with and form a single series with the outstanding W&C Securities.

## **13. SUBSTITUTION OF THE ISSUER OR THE GUARANTOR**

### **13.1 W&C Securities issued by BNPP or BNPP B.V.**

Except in the case of U.S. Securities, the Issuer, or any previous substituted company may, at any time, without the consent of the Holders, substitute for itself as principal obligor under the W&C Securities any company (the **"Substitute"**), being the Issuer or any other company, subject to:

- (a) where the Issuer is BNPP B.V. and the Substitute is not BNPP, BNPP unconditionally and irrevocably guaranteeing in favour of each Holder the performance of all obligations by the Substitute under the W&C Securities;
- (b) all actions, conditions and things required to be taken, fulfilled and done to ensure that the W&C Securities represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and being in full force and effect;
- (c) the Substitute becoming party to the Agency Agreement (unless the Substitute is already a party to the Agency Agreement) with any appropriate consequential amendments, as if it had been an original party to it;

- (d) each stock exchange on which the W&C Securities are listed having confirmed that, following the proposed substitution of the Substitute, the W&C Securities will continue to be listed on such stock exchange and in the case of Swedish Dematerialised Securities, Euroclear Sweden, or in the case of Finnish Dematerialised Securities, Euroclear Finland, has consented to such substitution (such consent not to be unreasonably withheld or delayed);
- (e) if appropriate, the Substitute having appointed a process agent as its agent in England (in the case of English Law Securities) or France (in the case of French Law Securities) to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the W&C Securities; and
- (f) the Issuer having given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with Condition 10.

### 13.2 W&C Securities issued by BNPP B.V.

Where the Issuer is BNPP B.V., BNPP or any previous substituted company may, at any time, without the consent of the Holders, substitute for itself as guarantor in respect of the W&C Securities any company (the "**Substitute BNPP Guarantor**"), being BNPP or any other company, subject to:

- (a) the creditworthiness of the Substitute BNPP Guarantor at such time being at least equal to the creditworthiness of BNPP (or of any previous substitute under this Condition), as determined by the Calculation Agent in its sole and absolute discretion by reference to, inter alia, the long term senior debt ratings (if any) assigned by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. and/or Moody's Investors Service Ltd. and/or Fitch Ratings Limited, or any successor rating agency or agencies thereto, or such other rating agency as the Calculation Agent determines to the Substitute BNPP Guarantor or, as the case may be, to BNPP (or to any previous substitute under this Condition);
- (b) the Substitute BNPP Guarantor having entered into a guarantee (the "**Substitute BNPP Guarantee**") in respect of the W&C Securities in substantially the same form as the relevant BNPP Guarantee and such other documents (if any) as may be necessary to give full effect to the substitution (the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substitute BNPP Guarantor shall undertake in favour of each Holder to be bound by these Terms and Conditions and the provisions of the Agency Agreement as fully as if the Substitute BNPP Guarantor had been named in these Terms and Conditions, the Documents and the Agency Agreement as the guarantor in respect of the W&C Securities in place of BNPP (or of any previous substitute under this Condition);
- (c) the Substitute BNPP Guarantee and the Documents having been delivered to BNP Paribas Securities Services, Luxembourg Branch to be held by BNP Paribas Securities Services, Luxembourg Branch for so long as any W&C Securities remain, in the case of Warrants, unexercised or, in the case of Certificates, outstanding and for so long as any claim made against the Substitute BNPP Guarantor or the Issuer by any Holder in relation to the W&C Securities, the Substitute BNPP Guarantee or the Documents shall not have been finally adjudicated, settled or discharged;
- (d) each stock exchange on which the W&C Securities are listed having confirmed that following the proposed substitution of the Substitute BNPP Guarantor (or of any previous substitute under this Condition) it will continue to list the W&C Securities and in the case of Swedish Dematerialised Securities, Euroclear Sweden, or in the case of Finnish Dematerialised

Securities, Euroclear Finland, has consented to such substitution (such consent not to be unreasonably withheld or delayed);

- (e) if appropriate, the Substitute BNPP Guarantor having appointed a process agent as its agent in England (in the case of English Law Securities) or France (in the case of French Law Securities) to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the W&C Securities or the Substitute BNPP Guarantee; and
- (f) BNPP (or any previous substitute under this Condition) having given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with Condition 10.

### 13.3 W&C Securities issued by BP2F

In the case of W&C Securities issued by BP2F or any previously substituted company, the Issuer, or any previous substituted company, may at any time, without the consent of the Holders, substitute for itself as principal debtor under the W&C Securities any company (the "**BP2F Substitute**") which is the BNPPF Guarantor or a subsidiary of the BNPPF Guarantor, provided that no payment in respect of the W&C Securities is at the relevant time overdue.

The substitution shall be made by a deed poll (the "**Deed Poll**"), in such form as may be agreed between BP2F and the BP2F Substitute and may take place only if:

- (i) the BP2F Substitute shall, by means of the Deed Poll, agree to indemnify each Holder against any tax, duty, assessment or governmental charge which is imposed on it by (or by any authority in or of) the jurisdiction of the country of the BP2F Substitute's residence for tax purposes and, if different, of its incorporation with respect to any W&C Security and which would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution;
- (ii) where the BP2F Substitute is not the BNPPF Guarantor, the obligations of the BP2F Substitute under the Deed Poll and the W&C Securities shall be unconditionally and irrevocably guaranteed by the BNPPF Guarantor by means of the Deed Poll;
- (iii) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll and the W&C Securities represent valid, legally binding and enforceable obligations of the BP2F Substitute and, in the case of the Deed Poll (where the BP2F Substitute is not the BNPPF Guarantor), of the BNPPF Guarantor have been taken, fulfilled and done and are in full force and effect;
- (iv) the BP2F Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it;
- (v) legal opinions addressed to the Holders shall have been delivered to them (care of the Agent) from a lawyer or firm of lawyers with a leading securities practice in each jurisdiction referred to in (i) above and in England as to the fulfilment of the preceding conditions of this paragraph 13.3 and the other matters specified in the Deed Poll; and
- (vi) the Issuer shall have given at least 14 days' prior notice of such substitution to the Holders stating that copies or, pending execution, the agreed text of all documents in relation to the substitution which are referred to above, or which might otherwise reasonably be regarded as



material to Holders of Securities, will be available for inspection at the specified offices of each of the Paying Agents.

The Issuer and the BP2F Substitute shall comply with the relevant rules and regulations of any competent authority, stock exchange and/or quotation system on which the W&C Securities are admitted to listing, trading and/or quotation.

#### 13.4 W&C Securities issued by BGL

In the case of W&C Securities issued by BGL or any previously substituted company, the Issuer, or any previous substituted company, may at any time, without the consent of the Holders of Securities, substitute for itself as principal debtor under the W&C Securities any subsidiary branch or affiliate of the Issuer or the successor company of the Issuer or jointly and severally one or more companies to whom the Issuer has transferred all of its assets and business undertakings (in each case the "**BGL Substitute**") provided that no payment in respect of the W&C Securities is at the relevant time overdue, no steps have been taken to admit the Issuer to a regime of suspension of payments (*sursis de paiement*) and (except in the case of a solvent reorganisation or amalgamation) no judgment has been rendered or an effective voluntary resolution has been passed for the dissolution and liquidation of the Issuer. Such substitution effected in accordance with this Condition 13.4 will release the Issuer or any previous substituted company and the Holders of Securities expressly consent hereto. The substitution shall be made by a deed poll (the "**Deed Poll**") in such form as may be agreed between BGL and the BGL Substitute and may take place only if:

- (a) the BGL Substitute, by means of the Deed Poll, agrees to indemnify each Holder of Securities against any tax, duty, assessment, withholding, deduction or governmental charge which is imposed on it by (or by any taxing authority in or of) the jurisdiction of the country of the BGL Substitute's residence for tax purposes and, if different, of its incorporation with respect to any W&C Security and which would not have been so imposed had the substitution not been made, as well as against any tax, duty assessment or governmental charge, and any cost or expense, relating to the substitution;
- (b) unless the BGL Substitute is the successor company of the Issuer or one or more companies to whom the Issuer has transferred all of its assets and business undertakings each of whom are to be jointly and severally liable as principal debtor, the obligations of the BGL Substitute under the Deed Poll and the W&C Securities are unconditionally and irrevocably guaranteed by the Issuer or its successor or each of the companies to whom together the Issuer has transferred all of its assets and business undertakings (each a "**Guarantor**") by means of a guarantee substantially in the form as may be agreed between BGL and the BGL Substitute (the "**Guarantee**");
- (c) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll and the W&C Securities represent valid, legally binding and enforceable obligations of the BGL Substitute and, in the case of the Guarantee, of the Guarantor have been taken, fulfilled and done and are in full force and effect;
- (d) the BGL Substitute has become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it;
- (e) legal opinions addressed to the Holders have been delivered to them (care of the Agent) from a lawyer or a firm of lawyers with a leading securities practice in each jurisdiction referred to

in (a) above as to the fulfilment of the preceding conditions of this Condition 13.4 and the other matters specified in the Deed Poll;

- (f) the substitution does not affect adversely the rating of the W&C Securities by Moody's France SAS, Standard & Poor's Credit Market Services France SAS and Fitch France SAS or, if any such rating agency does not exist at the relevant time, any two existing internationally recognised rating agencies; and
- (g) the Issuer has given at least 14 days' prior notice of such substitution to the Holders, stating that copies of all documents (in draft or final form) in relation to the substitution which are referred to above, or which might otherwise reasonably be regarded as material to Holders of Securities, will be available for inspection at the specified office of each of the Paying Agents.

13.5 Where the Issuer is BP2F, BNPPF or any previous substituted company may, at any time, without the consent of the Holders, substitute for itself as guarantor in respect of the W&C Securities any company (the "**Substitute BNPPF Guarantor**"), being BNPPF or any other company, subject to:

- (a) the creditworthiness of the Substitute BNPPF Guarantor at such time being at least equal to the creditworthiness of BNPPF (or of any previous substitute under this Condition), as determined by the Calculation Agent in its sole and absolute discretion by reference to, inter alia, the long term senior debt ratings (if any) assigned by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. and/or Moody's Investors Service Ltd. and/or Fitch Ratings Limited, or any successor rating agency or agencies thereto, or such other rating agency as the Calculation Agent determines to the Substitute BNPPF Guarantor or, as the case may be, to BNPPF (or to any previous substitute under this Condition);
- (b) the Substitute BNPPF Guarantor having entered into a guarantee (the "**Substitute BNPPF W&C Securities Guarantee**") in respect of the W&C Securities in substantially the same form as the BNPPF W&C Securities Guarantee and such other documents (if any) as may be necessary to give full effect to the substitution (the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substitute BNPPF Guarantor shall undertake in favour of each Holder to be bound by these Terms and Conditions and the provisions of the Agency Agreement as fully as if the Substitute BNPPF Guarantor had been named in these Terms and Conditions, the Documents and the Agency Agreement as the guarantor in respect of the W&C Securities in place of BNPPF (or of any previous substitute under this Condition);
- (c) the Substitute BNPPF W&C Securities Guarantee and the Documents having been delivered to BNP Paribas Securities Services, Luxembourg Branch to be held by BNP Paribas Securities Services, Luxembourg Branch for so long as any W&C Securities remain, in the case of Warrants, unexercised or, in the case of Certificates, outstanding and for so long as any claim made against the Substitute BNPPF Guarantor or the Issuer by any Holder in relation to the W&C Securities, the Substitute BNPPF W&C Securities Guarantee or the Documents shall not have been finally adjudicated, settled or discharged;
- (d) each stock exchange on which the W&C Securities are listed having confirmed that following the proposed substitution of the Substitute BNPPF Guarantor (or of any previous substitute under this Condition) it will continue to list the W&C Securities and in the case of Swedish Dematerialised Securities, Euroclear Sweden, or in the case of Finnish Dematerialised Securities, Euroclear Finland, has consented to such substitution (such consent not to be unreasonably withheld or delayed);

- (e) if appropriate, the Substitute BNPPF Guarantor having appointed a process agent as its agent in England (in the case of English Law Securities) or France (in the case of French Law Securities) to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the W&C Securities or the Substitute BNPPF W&C Securities Guarantee; and
- (f) BNPPF (or any previous substitute under this Condition) having given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with Condition 10.

## 14. GOVERNING LAW

### 14.1 English Law Securities

- (a) The English Law Securities (including Swedish Dematerialised Securities, Italian Dematerialised Securities, Swiss Securities and Finnish Dematerialised Securities), the English Law Agency Agreement, the BNPP English Law W&C Guarantee and the BNPPF W&C Securities Guarantee and any non-contractual obligations arising out of or in connection with the English Law Securities (including Swedish Dematerialised Securities, Italian Dematerialised Securities, Swiss Securities and Finnish Dematerialised Securities), the English Law Agency Agreement, the BNPP English Law W&C Guarantee and the BNPPF W&C Securities Guarantee are governed by, and shall be construed in accordance with, English law.
- (b) The courts of England shall have jurisdiction to settle all disputes which may, directly or indirectly, arise out of or in connection with the English Law Securities (including Swedish Dematerialised Securities, Italian Dematerialised Securities, Swiss Securities and Finnish Dematerialised Securities), the English Law Agency Agreement, the BNPP English Law W&C Guarantee and the BNPPF W&C Securities Guarantee and any non-contractual obligations arising out of or in connection with the English Law Securities (including Swedish Dematerialised Securities, Italian Dematerialised Securities, Swiss Securities and Finnish Dematerialised Securities), the English Law Agency Agreement, the BNPP English Law W&C Guarantee and the BNPPF W&C Securities Guarantee (a "**Dispute**") and each of the Issuer and the Guarantor submits and each Holder (by its acquisition of a W&C Security) is deemed to submit to the jurisdiction of the English courts. For the purposes of this Condition, each of the Issuer and the Guarantor waives and each Holder (by its acquisition of a W&C Security) is deemed to waive any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute. Notwithstanding this, (i) with respect to Finnish Dematerialised Securities, the registration and transfer of the Finnish Dematerialised Securities in Euroclear Finland's system for the registration of financial instruments shall be governed by, and shall be construed in accordance with, Finnish law and (ii) with respect to Italian Dematerialised Securities, the registration and transfer of the Italian Dematerialised Securities in Monte Titoli shall be governed by, and shall be construed in accordance with, Italian law.
- (c) The courts of England shall have jurisdiction to settle all disputes that may, directly or indirectly, arise out of or in connection with the English Law Securities, the English Law Agency Agreement, the BNPP English Law Guarantee and the BNPPF W&C Securities Guarantee (including any disputes relating to any non-contractual obligations arising out of or in connection with the English Law Securities, the English Law Agency Agreement, the BNPP English Law W&C Guarantee and the BNPPF W&C Securities Guarantee).
- (d) Each Issuer and Guarantor hereby appoints BNP Paribas, London branch, currently of 10 Harewood Avenue, London NW1 6AA (Attention: the Loan Administration Department), as its agent in England to receive service of process in any proceedings in England relating to the English Law Securities, the

BNPP English Law W&C Guarantee and the BNPPF W&C Securities Guarantee, as the case may be. If for any reason such process agent ceases to act as such or no longer has an address in England, each Issuer and Guarantor agrees to appoint a substitute process agent and to notify the Holders of English Law Securities of such appointment. Nothing in these provisions shall affect the right to serve process in any other manner permitted by law.

#### 14.2 French Law Securities

The French Law Securities, the French Law Agency Agreement and the BNPP French Law W&C Guarantee are governed by, and construed in accordance with, French law, and any action or proceeding in relation thereto ("**Proceedings**") shall be submitted to the jurisdiction of the competent courts in Paris within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*). BNPP B.V., BP2F, BNPPF and BGL elect domicile at the registered office of BNP Paribas currently located at 16 boulevard des Italiens, 75009 Paris.

### 15. **ADDITIONAL DISRUPTION EVENTS AND OPTIONAL ADDITIONAL DISRUPTION EVENTS**

The Additional Disruption Events and any Optional Additional Disruption Events shall not apply to any U.S. Securities.

- 15.1 In respect of Debt Securities any reference in this Condition 15 to "Share" and "Share Company" shall be deemed to be references to "Debt Instruments" and "Debt Instrument Issuer" respectively in respect of such Debt Securities.

"**Additional Disruption Event**" means each of Change in Law and Hedging Disruption, unless specified otherwise in the applicable Final Terms;

"**Cancellation Event**" means, that in the determination of the Calculation Agent, all or some of the Debt Instruments are redeemed prior to their stated maturity date for any reason, and as a result thereof it is impossible, impracticable or unduly onerous for the Issuer or its Affiliates to hedge the Issuer's obligations in respect of the W&C Securities;

"**Change in Law**" means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, in respect of any tax law, solvency or capital requirements), or (b) due to the promulgation of or any change in the interpretation or application of any law or regulation by any court, tribunal or regulatory or other supervisory authority with competent jurisdiction (including any action taken by a taxing or financial authority or any supervisory authority) or the combined effect thereof if occurring more than once, the Issuer determines in its sole and absolute discretion that:

- (a) it has become illegal for it or any of its Affiliates to hold, acquire or dispose of any relevant hedge position relating to an Index (in the case of Index Securities), any relevant hedge position relating to a Share (in the case of Share Securities), any relevant hedge position relating to an ETI Interest (in the case of ETI Securities), any relevant hedge position relating to a Commodity or Commodity Index (in the case of Commodity Securities) or any relevant hedge position relating to a Fund Share (in the case of Fund Securities) (each a "**Hedge**"); or
- (b) it or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency or capital requirements) in maintaining the W&C Securities in issue or in holding, acquiring or disposing of any Hedge;

**"Currency Event"** means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or any of its Affiliates (a) to convert the relevant currency ("**Local Currency**") in which the Index, the Shares or the Debt Instruments or any options or futures contracts or other hedging arrangement in relation to the Index, the Shares or the Debt Instruments (for the purposes of hedging the Issuer's obligations under the Securities) are denominated, into the Settlement Currency, or exchange or repatriate any funds in the Local Currency or the Settlement Currency outside of the country in which the Index, the Shares or the Debt Instruments or any options or futures contracts in relation to the Index, the Shares or the Debt Instruments respectively are traded due to the adoption of, or any change in, any applicable law, rule, regulation, judgment, order, directive or decree of any Government Authority or otherwise, or (b) for the Calculation Agent to determine a rate or (in the determination of the Calculation Agent) a commercially reasonable rate at which the Local Currency can be exchanged for the Settlement Currency for payment under the Securities;

**"Failure to Deliver due to Illiquidity"** means, following the exercise of Physical Delivery Securities, in the opinion of the Calculation Agent, it is impossible or impracticable to deliver, when due, some or all of the Relevant Assets (the "**Affected Relevant Assets**") comprising the Entitlement, where such failure to deliver is due to illiquidity in the market for the Relevant Assets;

**"Force Majeure Event"** means that, on or after the Trade Date, the performance of the Issuer's obligations under the Securities is prevented or materially hindered or delayed due to:

- (a) any act (other than a Market Disruption Event), law, rule, regulation, judgment, order, directive, interpretation, decree or material legislative or administrative interference of any Government Authority or otherwise; or
- (b) the occurrence of civil war, disruption, military action, unrest, political insurrection, terrorist activity of any kind, riot, public demonstration and/or protest, or any other financial or economic reasons or any other causes or impediments beyond such party's control; or
- (c) any expropriation, confiscation, requisition, nationalisation or other action taken or threatened by any Government Authority that deprives the Issuer or any of its Affiliates, of all or substantially all of its assets in the Local Currency jurisdiction;

**"Government Authority"** means any nation, state or government, any province or other political subdivision thereof, any body, agency or ministry, any taxing, monetary, foreign exchange or other authority, court, tribunal or other instrumentality and any other entity exercising, executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;

**"Hedging Disruption"** means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or option contracts it deems necessary to hedge the equity price risk or any other relevant price risk including but not limited to the currency risk of the Issuer issuing and performing its obligations with respect to the W&C Securities, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s), asset(s) or futures or options contract(s) or any relevant hedge positions relating to the W&C Securities;

**"Hedging Shares"** means the number of components comprised in an Index (in the case of Index Securities) or the number of Shares (in the case of Share Securities) that the Issuer and/or any of its Affiliates deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the W&C Securities;

**"Increased Cost of Hedging"** means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or options contract on any Commodity or, in the case of a Commodity Index, Index Component (in the case of Commodity Securities) or, in respect of any Index Securities relating to a Custom Index, any relevant hedge positions relating to an Index, it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest risk) of the Issuer issuing and performing its obligations with respect to the W&C Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) or any such futures or options contract(s) or, in respect of any Index Securities relating to a Custom Index, any relevant hedge positions relating to an Index, provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging;

**"Increased Cost of Stock Borrow"** means that the Issuer and/or any of its Affiliates would incur a rate to borrow any component security comprised in an Index (in the case of Index Securities) or any Share (in the case of Share Securities) that is greater than the Initial Stock Loan Rate;

**"Initial Stock Loan Rate"** means, in respect of a component security comprised in an Index (in the case of Index Securities) or a Share (in the case of Share Securities), the initial stock loan rate specified in relation to such Share, security, component or commodity in the applicable Final Terms;

**"Insolvency Filing"** means that a Share Company or Basket Company institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company or Basket Company shall not be deemed an Insolvency Filing;

**"Jurisdiction Event"** means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or any of its Affiliates to purchase, sell, hold or otherwise deal (or to continue to do so in the future) in the Index, the Shares or the Debt Instruments or any options or futures contracts in relation to the Index, the Shares or the Debt Instruments in order for the Issuer to perform its obligations under the Securities or in respect of any relevant hedging arrangements in connection with the Securities (including, without limitation, any purchase, sale or entry into or holding of one or more securities positions, currency positions, stock loan transactions, derivatives position, commodity position or other instruments or arrangements (however described) by the Issuer and/or any of its Affiliates in order to hedge, either individually or on a portfolio basis, the Securities) or the costs of so doing would (in the sole and absolute determination of the Calculation Agent) be materially increased under the restriction or limitation of the existing or future law, rule, regulation, judgment, order, interpretation, directive or decree of any Government Authority or otherwise;

**"Loss of Stock Borrow"** means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any component security comprised in an Index (in the case of Index Securities) or any Share (in the case of Share Securities) in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate;

**"Maximum Stock Loan Rate"** means in respect of a component security comprised in an Index (in the case of Index Securities) or a Share (in the case of Share Securities), the Maximum Stock Loan Rate specified in the applicable Final Terms;

**"Optional Additional Disruption Event"** means any of Cancellation Event, Currency Event, Failure to Deliver due to Illiquidity, Force Majeure Event, Increased Cost of Hedging, Increased Cost of Stock Borrow, Jurisdiction Event, Insolvency Filing, Loss of Stock Borrow and/or Stop-Loss Event, in each case if specified in the applicable Final Terms;

**"Stop-Loss Event"** means, in respect of a Share, the price of any Share as quoted on the relevant Exchange for such Share at the Scheduled Closing Time on any Scheduled Trading Day that is not a Disrupted Day in respect of such Share on or after the Trade Date or, if later, the Strike Date, is less than 5 per cent., or such percentage specified in the applicable Final Terms, of its Strike Price or, if no Strike Price is specified in the applicable Final Terms, the price given as the benchmark price for such Share in the applicable Final Terms, all as determined by the Calculation Agent.

15.2 If Additional Disruption Events are specified as applicable in the applicable Final Terms and an Additional Disruption Event and/or an Optional Additional Disruption Event occurs (other than in respect of Failure to Deliver due to Illiquidity), the Issuer in its sole and absolute discretion may take the action described in (a) or, if applicable, (b), (c), (d) or (e), as the case may be, below:

- (a) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and/or Optional Additional Disruption Event and determine the effective date of that adjustment;
- (b) in the case of Warrants, cancel the Warrants by giving notice to Holders in accordance with Condition 10. If the Warrants are so cancelled the Issuer will pay an amount to each Holder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (unless provided for otherwise in the relevant Final Terms) plus, if applicable and already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 10;
- (c) in the case of Certificates,
  - (i) unless Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event is specified in the applicable Final Terms, on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates, each Certificate being redeemed by payment of an amount equal to the fair market value of a Certificate taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 10; or

- (ii) if Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate, taking into account the Additional Disruption Event and/or Optional Additional Disruption Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Additional Disruption Amount**") as soon as practicable following the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event (the "**Calculated Additional Disruption Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Additional Disruption Amount plus interest accrued from and including the Calculated Additional Disruption Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Notional Amount; or
- (d) in the case of Index Securities linked to a Custom Index, the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar formula for and method of calculation as the Custom Index within twenty (20) Scheduled Custom Index Business Days of the occurrence of the relevant Additional Disruption Event or Optional Additional Disruption Event and, upon selection of such successor index (the "**Successor Index**"), the Calculation Agent shall promptly notify the Issuer and the Issuer will give notice to the Holders in accordance with Condition 10 and such index shall become the Successor Index and deemed to be a "Custom Index" for the purposes of the W&C Securities and the Calculation Agent will make such adjustment, if any, to one or more of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for the substitution. Such substitution and any relevant adjustment to the Terms and Conditions and/or the applicable Final Terms will be deemed to be effective as of the date selected by the Calculation Agent in its sole and absolute discretion which may, but need not be the date on which the relevant Additional Disruption Event or Optional Additional Disruption Event occurred; or
- (e) in the case of Share Securities linked to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each a "**Substitute Share**") for each Share (each an "**Affected Share**") which is affected by the Additional Disruption Event and/or Optional Additional Disruption Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the W&C Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the W&C Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the W&C Securities was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Initial Price} = A \times (B/C)$$



where:

"**A**" is the official closing price of the relevant Substitute Share on the relevant Exchange on the Substitution Date;

"**B**" is the Initial Price of the relevant Affected Share; and

"**C**" is the official closing price of the relevant Affected Share on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the Basket of Shares will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in its sole and absolute discretion and specified in the notice referred to below which may, but need not, be the relevant date of the Additional Disruption Event and/or Optional Additional Disruption Event.

The Weighting of each Substitute Share in the Basket of Shares will be equal to the Weighting of the relevant Affected Share.

In order to be selected as a Substitute Share, the relevant share must be a share which, in the sole and absolute discretion of the Calculation Agent:

- (i) is not already included in the Basket of Shares;
- (ii) the relevant issuer of such share belongs to the same economic sector as the Basket Company in respect of the Affected Share; and
- (iii) the relevant issuer of such share has a comparable market capitalisation, international standing and exposure as the Basket Company in respect of the Affected Share.

If a Failure to Deliver due to Illiquidity occurs:

- (A) subject as provided elsewhere in the Conditions, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates) in accordance with Condition 5.1 and (in the case of Warrants) the Calculation Agent shall determine in its discretion the appropriate *pro rata* portion of the Exercise Price to be paid by the relevant Holder in respect of that partial settlement; and
- (B) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof, except in the case of U.S. Securities (in which case another price or prices will be specified in the applicable Final Terms), the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant W&C Security or in the case of Warrants, if Units are specified in the applicable Final Terms, Unit, as the case may be, by payment to the relevant Holder of the Failure to Deliver Settlement Price on the fifth Business Day following the date that notice of such election is given to the Holders in accordance with Condition 10. Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

For the purposes hereof:

**"Failure to Deliver Settlement Price"** means, in respect of any relevant W&C Security, or in the case of Warrants, if Units are specified in the applicable Final Terms, Unit, as the case may be, the fair market value of such W&C Security or Unit, as the case may be (taking into account the Relevant Assets comprising the Entitlement which have been duly delivered as provided above), less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion, plus, in the case of Warrants, if applicable and already paid, the Exercise Price (or, where as provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion).

- 15.3 Upon the occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable and the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 10 stating the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

## **16. KNOCK-IN EVENT AND KNOCK-OUT EVENT**

- 16.1 If "Knock-in Event" is specified as applicable in the applicable Final Terms, then any payment and/or delivery, as applicable, under the relevant W&C Securities which is expressed in the Conditions to be subject to a Knock-in Event, shall be conditional upon the occurrence of such Knock-in Event.
- 16.2 If "Knock-out Event" is specified as applicable in the applicable Final Terms, then any payment and/or delivery, as applicable, under the relevant W&C Securities which is expressed in the Conditions to be subject to a Knock-out Event, shall be conditional upon the occurrence of such Knock-out Event.
- 16.3 In respect of Index Securities, Share Securities, ETI Securities and Futures Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if on any Knock-in Determination Day or Knock-out Determination Day (a) in respect of W&C Securities other than Custom Index Securities, at any time during the one hour period that begins or ends at the Valuation Time the Level triggers the Knock-in Level or the Knock-out Level, a Trading Disruption, Exchange Disruption or Early Closure occurs or exists, or (b) in respect of Custom Index Securities, a Custom Index Disruption Event is occurring, then (i) if Disruption Consequences are specified as not applicable in the applicable Final Terms, a Knock-in Event or Knock-out Event may occur notwithstanding such Trading Disruption, Exchange Disruption, Early Closure or Custom Index Disruption Event or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred; provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the Level as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date" for the purposes of determining the occurrence of a Knock-in Event or Knock-out Event.
- 16.4 In respect of Commodity Securities or Currency Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Commodity Disrupted Day or a Disrupted Day, as applicable, then (i) if Disruption Consequences are specified as not applicable in the

applicable Final Terms, a Knock-in Event or Knock-out Event may occur notwithstanding such day being a Commodity Disrupted Day or a Disrupted Day, as the case may be or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

- 16.5 In respect of W&C Securities other than Custom Index Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one-hour period that begins or ends at the time on which the Level triggers the Knock-in Level or the Knock-out Level, (a) in the case of Index Securities, Share Securities, ETI Securities and Futures Securities, a Trading Disruption, Exchange Disruption or Early Closure, (b) in the case of Currency Securities, a Disruption Event or (c) in the case of Commodity Securities, a Market Disruption Event, in each case occurs or exists, then (i) if Disruption Consequences are specified as not applicable in the applicable Final Terms, a Knock-in Event or Knock-out Event may occur notwithstanding such Trading Disruption, Exchange Disruption, Early Closure, Disruption Event or Market Disruption Event or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred, provided that, in the case of W&C Securities other than Commodity Securities or Currency Securities, if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the Level as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date" for the purposes of determining the occurrence of a Knock-in Event or Knock-out Event.

16.6 Definitions relating to Knock-in Event/Knock-out Event

Unless otherwise specified in the applicable Final Terms:

**"Knock-in Determination Day"** means (a) each date, (b) each Scheduled Trading Day in the Knock-in Determination Period, (c) each Scheduled Custom Index Business Day in the Knock-in Determination Period, (d) each Fund Business Day in the Knock-in Determination Period, or (e) each Business Day in the Knock-in Determination Period, as specified in the applicable Final Terms;

**"Knock-in Determination Period"** means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date;

**"Knock-in Event"** means:

- (a) if SPS Knock-in Valuation is specified as applicable in the applicable Final Terms, the Knock-in Value is; or
- (b) if SPS Knock-in Valuation is specified as not applicable in the applicable Final Terms:
  - (i) (in respect of a single Underlying Reference) that the Level is; or
  - (ii) (in respect of a Basket of Underlying References) that the amount determined by the Calculation Agent equal to the sum of the values of each Underlying Reference as the

product of (x) the Level of such Underlying Reference and (y) the relevant Weighting is,

(A) "greater than", "greater than or equal to", "less than" or "less than or equal to" the Knock-in Level or, if applicable, (B) "within" the Knock-in Range Level, in each case as specified in the applicable Final Terms (x) on a Knock-in Determination Day or (y) in respect of a Knock-in Determination Period, specified in the applicable Final Terms;

**"Knock-in Level"** means the FX, Knock-in Level or the other level, amount, number or percentage specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-in Period Beginning Date"** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Custom Index Business Day (in the case of Custom Index Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Securities), the next following Scheduled Trading Day, Commodity Business Day, Custom Index Business Day, Fund Business Day or Business Day, as the case may be;

**"Knock-in Period Ending Date"** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Custom Index Business Day (in the case of Custom Index Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Securities), the next following Scheduled Trading Day, Commodity Business Day, Custom Index Business Day, Fund Business Day or Business Day, as the case may be;

**"Knock-in Range Level"** means the range of Levels specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-in Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Knock-in Valuation Time"** means the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time;

**"Knock-in Value"** means the value from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"Knock-out Determination Day"** means (a) each date, (b) each Scheduled Trading Day in the Knock-out Determination Period, (c) each Scheduled Custom Index Business Day in the Knock-out Determination Period, (d) each Fund Business Day in the Knock-out Determination Period, or (e) each Business Day in the Knock-out Determination Period as specified in the applicable Final Terms;

**"Knock-out Determination Period"** means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date;

**"Knock-out Event"** means:

- (a) if SPS Knock-out Valuation is specified as applicable in the applicable Final Terms, the Knock-out Value is, or
- (b) if SPS Knock-out Valuation is specified as not applicable in the applicable Final Terms:
  - (i) (in respect of a single Underlying Reference) that the Level is; or
  - (ii) (in respect of a Basket of Underlying References) that the amount determined by the Calculation Agent equal to the sum of the values of each Underlying References as the product of (x) the Level of such Underlying Reference and (y) the relevant Weighting is,

(A) "greater than", "greater than or equal to", "less than" or "less than or equal to" the Knock-out Level or, if applicable, (B) "within" the Knock-out Range Level, in each case, as specified in the applicable Final Terms (x) on a Knock-out Determination Day or (y) in respect of a Knock-out Determination Period, as specified in the applicable Final Terms;

**"Knock-out Level"** means the FX Knock-out Level or the level, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-out Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Knock-out Period Beginning Date"** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Custom Index Business Day (in the case of Custom Index Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Securities), the next following Scheduled Trading Day, Commodity Business Day, Custom Index Business Day, Fund Business Day or Business Day, as the case may be;

**"Knock-out Period Ending Date"** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Custom Index Business Day (in the case of Custom Index Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Securities), the next following Scheduled Trading Day, Commodity Business Day, Custom Index Business Day, Fund Business Day or Business Day, as the case may be;

**"Knock-out Range Level"** means the range of Levels specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-out Valuation Time"** means the time or period of time on any Knock-out Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time;

**"Knock-out Value"** means the value from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"Level"** means, for the purposes of this Condition 16, (i) the "official level", "official close", "last price", "bid price" or "asked price" of the Underlying Reference, as specified in the applicable Final Terms, published by the Knock-in Observation Price Source or Knock-out Observation Price Source, as applicable, or (ii) if "Standard Level" is specified as applicable in the applicable Final Terms (a) in the case of Share Securities, ETI Securities and Futures Securities, the price of the relevant Underlying Reference, (b) in the case of Index Securities and Custom Index Securities, the level of the relevant Underlying Reference (c) in the case of Commodity Securities, the Relevant Price, or (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), in each case determined by the Calculation Agent as of the Knock-in Valuation Time or Knock-out Valuation Time on any Knock-in Determination Day or Knock-out Determination Day, as applicable, or, in the case of the "official close" level, at such time as the official close is published by the Knock-in Observation Price Source or Knock-out Observation Price Source, as applicable;

**"Relevant Adjustment Provisions"** means:

- (a) in the case of Index Securities, Index Security Condition 2 (Market Disruption) and Index Security Condition 3 (Adjustments to an Index);
- (b) in the case of Custom Index Securities, Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);
- (c) in the case of Share Securities, Share Security Condition 2 (Market Disruption), Share Security Condition 3 (Potential Adjustment Events) and Share Security Condition 4 (Extraordinary Events);
- (d) in the case of ETI Securities, ETI Security Condition 2 (Market Disruption) and ETI Security Condition 3 (Potential Adjustment Events);
- (e) in the case of Commodity Securities, Commodity Security Condition 2 (Market Disruption) and Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks);
- (f) in the case of Currency Securities, Currency Security Condition 2 (Disruption Events) and Currency Security Condition 3 (Consequences of a Disruption Event); and
- (g) in the case of Futures Securities, Futures Security Condition 3 (Adjustments to a Future); and

**"Underlying Reference"** means, for the purposes of this Condition 16, each Index, Custom Index, Share, ETI Interest, Commodity, Commodity Index, Subject Currency, Future or other basis of reference to which the relevant W&C Securities relate.

## **17. ADJUSTMENTS FOR EUROPEAN MONETARY UNION**

The Issuer may, without the consent of the Holders, on giving notice to the Holders in accordance with Condition 10:

- (a) elect that, with effect from the Adjustment Date specified in the notice, certain terms of the W&C Securities shall be redenominated in euro.

The election will have effect as follows:

- (i) where the Settlement Currency of the W&C Securities is the National Currency Unit of a country which is participating in the third stage of European Economic and Monetary Union, such Settlement Currency shall be deemed to be an amount of euro converted from the original Settlement Currency into euro at the Established Rate, subject to such provisions (if any) as to rounding as the Issuer may decide, after consultation with the Calculation Agent, and as may be specified in the notice, and after the Adjustment Date, all payments of the Cash Settlement Amount in respect of the W&C Securities will be made solely in euro as though references in the W&C Securities to the Settlement Currency were to euro;
  - (ii) where the Exchange Rate and/or any other terms of these Terms and Conditions are expressed in or, in the case of the Exchange Rate, contemplate the exchange from or into, the currency (the "**Original Currency**") of a country which is participating in the third stage of European Economic and Monetary Union, such Exchange Rate and/or any other terms of these Terms and Conditions shall be deemed to be expressed in or, in the case of the Exchange Rate, converted from or, as the case may be into, euro at the Established Rate; and
  - (iii) such other changes shall be made to these Terms and Conditions as the Issuer may decide, after consultation with the Calculation Agent to conform them to conventions then applicable to instruments expressed in euro; and/or
- (b) require that the Calculation Agent make such adjustments to the Weighting and/or the Settlement Price and/or the Exercise Price (in the case of Warrants) and/or any other terms of these Terms and Conditions and/or the Final Terms as the Calculation Agent, in its sole discretion, may determine to be appropriate to account for the effect of the third stage of European Economic and Monetary Union on the Weighting and/or the Settlement Price and/or the Exercise Price (in the case of Warrants) and/or such other terms of these Terms and Conditions.

Notwithstanding the foregoing, none of the Issuer, the Guarantor, if any, the Calculation Agent and the Security Agents shall be liable to any Holder or other person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of euro or any currency conversion or rounding effected in connection therewith.

In this Condition, the following expressions have the following meanings:

**"Adjustment Date"** means a date specified by the Issuer in the notice given to the Holders pursuant to this Condition which falls on or after the date on which the country of the Original Currency first participates in the third stage of European Economic and Monetary Union pursuant to the Treaty;

**"Established Rate"** means the rate for the conversion of the Original Currency (including compliance with rules relating to rounding in accordance with applicable European Union regulations) into euro established by the Council of the European Union pursuant to Article 140 of the Treaty;

**"euro"** means the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty;

**"National Currency Unit"** means the unit of the currency of a country, as those units are defined on the day before the date on which the country of the Original Currency first participates in the third stage of European Economic and Monetary Union; and

**"Treaty"** means the Treaty on the Functioning of the European Union, as amended.

## **18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

The English Law Securities do not confer on a third party any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of such W&C Securities but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **19. TERMS APPLICABLE TO WARRANTS ONLY**

Conditions 20 to 26 apply to Warrants only.

## **20. DEFINITIONS (WARRANTS)**

**"Actual Exercise Date"** means the Exercise Date (in the case of European Style Warrants) or, subject to Condition 23, the date during the Exercise Period (in the case of American Style Warrants) on which the Warrant is actually or is deemed exercised or, if Automatic Exercise is specified in the applicable Final Terms, is automatically exercised (as more fully set out in Condition 23);

**"Averaging Date"** means, in respect of an Actual Exercise Date:

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices (each as defined in Annex 2)), Share Securities, ETI Securities, Debt Securities, Fund Securities or Futures Securities, each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent any such day is a Disrupted Day. If any such day is a Disrupted Day, then:
  - (i) if "Omission" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision no Averaging Date would occur in respect of such Actual Exercise Date, then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant level, price, value or amount on the final Averaging Date with respect to that Actual Exercise Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
  - (ii) if "Postponement" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price, value or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
  - (iii) if "Modified Postponement" is specified as applying in the applicable Final Terms then:
    - (A) where the Warrants are Index Securities relating to a single Index, Share Securities relating to a single Share, ETI Securities relating to a single ETI



Interest, or Futures Securities relating to a single Future, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Actual Exercise Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date), and (II) the Calculation Agent shall determine the relevant level, value or price for that Averaging Date in accordance with subparagraph (a)(i) of the definition of "Valuation Date" below; and

(B) where the Warrants are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket of ETI Interests or Futures Securities relating to a Basket of Futures, the Averaging Date for each Index, Share, ETI Interest or Future not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the "**Scheduled Averaging Date**") and the Averaging Date for each Index, Share, ETI Interest or Future affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Index, Share, ETI Interest or Future. If the first succeeding Valid Date in relation to such Index, Share, ETI Interest or Future has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Actual Exercise Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date) in respect of such Index, Share, ETI Interest or Future and (II) the Calculation Agent shall determine the relevant level, value, price or amount for that Averaging Date in accordance with subparagraph (a)(i) of the definition of "Valuation Date" below; or

(b) in the case of Commodity Securities, each date specified as such in the applicable Final Terms or, if any such date is not a Commodity Business Day, the immediately following Commodity Business Day unless, in the opinion of the Calculation Agent any such day is a day on which a Market Disruption Event has occurred or is continuing, in which case the provisions of Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) shall apply;

"**Cash Settlement Amount**" means, in relation to Cash Settled Warrants, the amount (which may never be less than zero) to which the Holder is entitled in the Settlement Currency in relation to each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, equal to the Final Payout specified in the applicable Final Terms. The Cash Settlement Amount (if any) shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention, provided that:

- (a) if Rounding Convention 1 is specified as applicable in the applicable Final Terms, the Cash Settlement Amount shall be calculated using a maximum of four decimal places (with 0.00005 being rounded upwards) and shall be rounded to the second decimal place (with 0.005 being rounded upwards); or
- (b) if Rounding Convention 2 is specified as applicable in the applicable Final Terms, the Cash Settlement Amount shall not be subject to rounding but Securities of the same Series held by the same Holder will be aggregated for the purpose of determining the aggregate Cash Settlement Amount in respect of such Warrants and the aggregate of such Cash Settlement Amounts will be rounded down to the nearest whole sub-unit of the Settlement Currency in such manner as the Calculation Agent shall determine,

Provided That if the product of the Final Payout is zero, no amount shall be payable in respect of the relevant Warrant (and such Warrant shall expire worthless);

**"English Law Warrants"** means the Warrants specified in the applicable Final Terms as being governed by English law;

**"Entitlement"** means in relation to a Physical Delivery Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Holder is entitled to receive on the Settlement Date in respect of each such Warrant or Unit, as the case may be, following payment of the Exercise Price (and any other sums payable) (including Expenses as defined in Condition 11) rounded down as provided in Condition 24.3, as determined by the Calculation Agent including any documents evidencing such Entitlement which amount will be the Entitlement Amount specified in the applicable Final Terms;

**"Exercise Business Day"** means:

- (a) in the case of Cash Settled Warrants, a day that is a Business Day; and
- (b) in the case of Physical Delivery Warrants, a day that is a Business Day and a Scheduled Trading Day;

**"Expiration Date"** means the last day of the Exercise Period;

**"Finnish Dematerialised Warrants"** means Warrants in registered, uncertified and dematerialised book-entry form in accordance with the provisions of the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) and with the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)) accepted by Euroclear Finland for clearing and registration in the Euroclear Finland System;

**"French Law Warrants"** means the Warrants specified in the applicable Final Terms as being governed by French law;

**"Italian Dematerialised Warrants"** means Warrants issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli pursuant to Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions;

**"Italian Listed Warrants"** means Warrants which are listed and admitted to trading on the electronic "Securitized Derivatives Market" (the **"SeDeX"**), organised and managed by Borsa Italiana S.p.A. or the Multilateral Trading Facility (the **"EuroTLX"**), organised and managed by EuroTLX Sim S.p.A., as the case may be;

**"Observation Date"** means each date specified as an Observation Date in the applicable Final Terms or if any such date is not a Scheduled Trading Day (in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities, Fund Securities or Futures Securities) or Commodity Business Day (in the case of Commodity Securities), the immediately following Scheduled Trading Day or Commodity Business Day, as applicable. The provisions contained in the definition of "Averaging Date" shall apply if any such day is a Disrupted Day or, in the case of Commodity Securities, a day on which a Market Disruption Event has occurred or is continuing, *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date" unless Observation Day Disruption Consequences is specified as not applicable in the applicable Final Terms, in which case such date will be an Observation Date notwithstanding the occurrence of a Disrupted Day and (i) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities, Fund Securities or Futures Securities, the provisions of (a)(i)(B) or (a)(ii)(B), as applicable, of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on such Observation Date as if such Observation Date were a Valuation Date that was a Disrupted Day or (ii) in the case of Commodity Securities the provisions of Commodity Security Condition 3 (*Consequences of a Market Disruption Event and Disruption Fallbacks*) will apply;

**"Observation Period"** means the period specified as the Observation Period in the applicable Final Terms;

**"Settlement Date"** means:

(a) in relation to Cash Settled Warrants:

- (i) (other than in respect of Commodity Securities or Inflation Index Securities) in relation to each Actual Exercise Date, (A) where Averaging is not specified in the applicable Final Terms, (x) the date specified in the applicable Final Terms or, if none, (y) the fifth Business Day following the Valuation Date provided that if the Warrants are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket of ETI Interests, Debt Securities relating to a Basket of Debt Instruments, Fund Securities relating to a Basket of Fund Shares or Futures Securities relating to a basket of Futures and the occurrence of a Disrupted Day has resulted in a Valuation Date for one or more Indices, Shares, ETI Interests, Debt Instruments, Fund Shares or Futures, as the case may be, being adjusted as set out in the definition of "Valuation Date" below, the Settlement Date shall be the fifth Business Day next following the last occurring Valuation Date in relation to any Index, Share, ETI Interest, Debt Instrument, Fund Share or Future, as the case may be, or (B) where Averaging is specified in the applicable Final Terms, the fifth Business Day following the last occurring Averaging Date provided that where the Warrants are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket of ETI Interests, Debt Securities relating to a Basket of Debt Instruments, Fund Securities relating to a Basket of Fund Shares or Futures Securities relating to a basket of Futures and the occurrence of a Disrupted Day has resulted in an Averaging Date for one or more Indices, Shares, ETI Interests, Debt Instruments, Fund Shares or Futures, as the case may be, being adjusted as set out in the definition of "Averaging Date" above, the Settlement Date shall be the fifth Business Day next following the last occurring Averaging Date in relation to any Index, Share, ETI

Interest, Debt Instrument, Commodity or Commodity Index, Fund Share or Future, as the case may be; or

- (ii) in respect of Commodity Securities or Inflation Index Securities, the date as specified in the applicable Final Terms; and
- (b) in relation to Physical Delivery Warrants, the date specified as such in the applicable Final Terms;

**"Swedish Dematerialised Warrants"** means Warrants in registered, uncertificated and dematerialised book-entry form in accordance with the SFIA Act accepted by Euroclear Sweden for clearing and registration in the Euroclear Sweden System;

**"Swiss Dematerialised Warrants"** means Warrants in uncertified and dematerialised form which are entered into the main register (*Hauptregister*) of SIX SIS Ltd or any other intermediary in Switzerland recognised for such purposes by SIX Swiss Exchange Ltd (SIX SIS Ltd or any such other intermediary, the **"Intermediary"**) and entered into the accounts of one or more participants of the Intermediary;

**"Swiss Materialised Warrants"** means Warrants represented by a permanent global warrant which will be deposited by the Swiss Security Agent with SIX SIS Ltd or any other intermediary in Switzerland recognised for such purposes by SIX Swiss Exchange Ltd (SIX SIS Ltd or any such other intermediary, the **"Intermediary"**) and entered into the accounts of one or more participants of the Intermediary;

**"Valid Date"** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in relation to the Actual Exercise Date or another Observation Date does not or is deemed not to occur;

**"Valuation Date"** means:

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Instruments or Futures Securities(x) the Scheduled Trading Day immediately preceding the Actual Exercise Date or (y) the Actual Exercise Date (or, if such date is not a Scheduled Trading Day the first Scheduled Trading Day following such date) or the first Scheduled Trading Day following the Actual Exercise Date of the relevant Warrant, as specified in the applicable Final Terms, unless in either case, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:
  - (i) where the Warrants are Index Securities relating to a single Index, Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Debt Securities relating to a single Debt Instrument or Futures Securities relating to a single Future, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the relevant value, level or price:
  - (A) in the case of Index Securities, by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in

accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or

- (B) in the case of Share Securities, ETI Securities, Debt Securities or Futures Securities, in accordance with its good faith estimate of the relevant value or price as of the Valuation Time on the last such consecutive Scheduled Trading Day; or

- (ii) where the Warrants are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket of ETI Interests, Debt Securities relating to a Basket of Debt Instruments or Futures Securities relating to a Basket of Futures, the Valuation Date for each Index, Share, ETI Interest, Debt Instrument or Future, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index, Share, ETI Interest, Debt Instrument or Future affected, as the case may be (each an "**Affected Item**"), by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the relevant value, level or price using, in relation to the Affected Item, the level, value or price as applicable, determined using:

- (A) in the case of an Index, the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
- (B) in the case of a Share, ETI Interest, Debt Instrument or Future, its good faith estimate of the value for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

- (b) in the case of Commodity Securities, the Final Pricing Date,

and otherwise in accordance with the above provisions; and

**"Valuation Time"** means:

- (a) the Valuation Time specified in the applicable Final Terms; or
- (b) if not set out in the applicable Final Terms, in the case of Index Securities relating to a Composite Index, unless otherwise specified in the applicable Final Terms, (i) for the purposes of determining whether a Market Disruption Event has occurred (A) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (B) in respect of any options contracts or futures contracts on such Index, the close of trading on the Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of such Index is calculated and published by the Index Sponsor; or
- (c) if not set out in the applicable Final Terms, in the case of Index Securities relating to Indices other than Composite Indices, Share Securities or ETI Securities, unless otherwise specified in the applicable Final Terms, the Scheduled Closing Time on the relevant Exchange on the relevant Strike Date, Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Index, Share or ETI Interest to be valued, provided that if the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

## 21. FORM OF WARRANTS

English Law Warrants (other than Swedish Dematerialised Warrants, Finnish Dematerialised Warrants, Italian Dematerialised Warrants and Swiss Dematerialised Warrants) are represented by (i) a permanent global warrant (the "**Permanent Global Warrant**"), (ii) a Rule 144A Global Warrant (as defined below), (iii) a Regulation S Global Warrant (as defined below), (iv) a registered global warrant (the "**Registered Global Warrant**") or (v) a warrant in definitive registered form (a "**Private Placement Definitive Warrant**"), as specified in the applicable Final Terms. Except as provided herein, no Warrants in definitive form will be issued.

English Law Warrants that are Swedish Dematerialised Warrants will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Swedish Financial Instruments Accounts Act 1998 (*Sw.: Lag (1998:1479) om kontoföring av finansiella instrument*) (the "**SFIA Act**"). Swedish Dematerialised Warrants will not be issued in definitive form.

English Law Warrants that are Finnish Dematerialised Warrants will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) and with the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)). Finnish Dematerialised Warrants will not be issued in definitive form.

English Law Warrants that are Italian Dematerialised Warrants will be issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli S.p.A. ("**Monte Titoli**") pursuant to Italian legislative decree no. 58/1998, as amended and implemented and subsequent implementing provisions. Italian Dematerialised Warrants will not be issued in definitive form.

English Law Warrants that are Swiss Materialised Warrants will be represented by a permanent global warrant which will be deposited by the Swiss Security Agent with the Intermediary. Upon the permanent global warrant being deposited with the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Swiss Materialised Warrants will constitute intermediated

securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

English Law Warrants that are Swiss Dematerialised Warrants will be issued in uncertificated and dematerialised form and will be entered into the main register (*Hauptregister*) of the Intermediary. Upon being registered in the main register (*Hauptregister*) of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Swiss Dematerialised Warrants will constitute intermediated securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*). Swiss Dematerialised Warrants will not be issued in definitive form.

The terms and conditions of the Swiss Securities will be set forth in the applicable Final Terms.

In the event that the applicable Final Terms specify that Warrants are eligible for sale in the United States ("**U.S. Warrants**") (such eligibility to be pursuant to an exemption from the registration requirements of the Securities Act of 1933, as amended (the "**Securities Act**")), (A) the Warrants sold in the United States to qualified institutional buyers ("**QIBs**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Rule 144A Warrants**") will be represented by one or more Rule 144A global warrants (each, a "**Rule 144A Global Warrant**"), (B) the Warrants sold in the United States to certain accredited investors ("**AIs**") (as defined in Rule 501(a) under the Securities Act) will be constituted by Private Placement Definitive Warrants, (C) the Warrants sold in the United States by BNPP B.V. to QIBs who are QPs will be represented by a Rule 144A Global Warrant or in the form of a Private Placement Definitive Warrant, as may be set out in any applicable U.S. wrapper to the Base Prospectus and (D) in either such case, the Warrants sold outside the United States to non-U.S. persons in reliance on Regulation S ("**Regulation S**") under the Securities Act will be represented by one or more Regulation S global warrants (each, a "**Regulation S Global Warrant**"). References herein to a "**Clearing System Global Warrant**" means, as the context so requires, a Rule 144A Global Warrant, a Regulation S Global Warrant or the Permanent Global Warrant, representing the Warrants and Warrants represented by a Clearing System Global Warrant are referred to herein as "**Clearing System Warrants**".

In the event that the Final Terms does not specify that Warrants are eligible for sale in the United States or to U.S. persons, the Warrants offered and sold outside the United States to non-U.S. persons under in reliance on Regulation S will be represented by a Regulation S Global Warrant, a Permanent Global Warrant or a Registered Global Warrant, as the case may be.

In the event that the Warrants are constituted by a Clearing System Global Warrant other than a Rule 144A Global Warrant, the Clearing System Global Warrant will be deposited with a depository (the "**Common Depositary**") common to Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear Bank S.A./N.V. ("**Euroclear**") and/or any other relevant Clearing System or (in the case of English Law Warrants held through Euroclear France) with Euroclear France, in each case in accordance with the rules and regulations of the relevant Clearing System(s). If the Clearing System specified in the Final Terms is Iberclear, the term Common Depositary and/or Custodian shall be deemed to refer to the foreign custodian (*Entidad Custodia*) or Iberclear Participant (*Entidad Miembro de Iberclear*), as the case may be, appointed in accordance with the rules and regulations of Iberclear. Warrants represented by a Rule 144A Global Warrant will be either (i) deposited with a custodian (a "**Custodian**") for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**"), or (ii) issued and deposited with the Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System.

In the event that the Warrants are constituted by a Registered Global Warrant (such Warrants being hereafter referred to as "**Registered Warrants**"), the Registered Global Warrant will be held by the Registrar on behalf of the holders.

Interests in a Rule 144A Global Warrant and a Regulation S Global Warrant may be exchanged for interests in the other Global Warrants and for Private Placement Definitive Warrants and Private Placement Definitive Warrants may be exchanged for an interest in a Rule 144A Global Warrant or Regulation S Global Warrant only as described herein. Interests in a Clearing System Global Warrant or a Private Placement Definitive Warrant may not be exchanged for interests in a Registered Global Warrant and interests in a Registered Global Warrant may not be exchanged for interests in a Clearing System Global Warrant or a Private Placement Definitive Warrant.

Each Clearing System Global Warrant and the Registered Global Warrant is referred to in these Terms and Conditions as a "**Global Warrant**". The applicable Final Terms (or the relevant provisions thereof) will be attached to such Global Warrant.

In the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, if DTC notifies BNPP that it is unwilling or unable to continue as a depository for that Global Warrant or if at any time DTC ceases to be a "clearing agency" registered under the Exchange Act, as amended and a successor depository is not appointed by BNPP within 90 days of such notice, BNPP will deliver Warrants in definitive registered form (bearing such legends as may be required by BNPP) in exchange for that Rule 144A Global Warrant. Except in these circumstances, owners of beneficial interests in a Rule 144A Global Warrant held by a Custodian on behalf of DTC will not be entitled to have any portion of such Warrants registered in their name and will not receive or be entitled to receive physical delivery of registered Warrants in definitive form in exchange for their interests in that Rule 144A Global Warrant. Transfer, exercise, settlement and other mechanics related to any Warrants issued in definitive form in exchange for Warrants represented by such Rule 144A Global Warrant shall be as agreed between BNPP and the New York Security Agent.

French Law Warrants are issued in dematerialised form (*au porteur*) (such Warrants hereinafter also referred to as "**Clearing System Warrants**"). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code Monétaire et Financier*) will be issued in respect of French Law Warrants.

## **22. TYPE (WARRANTS)**

The applicable Final Terms will indicate whether the Warrants are American style Warrants ("**American Style Warrants**") or European style Warrants ("**European Style Warrants**"), Registered Warrants or such other type as may be specified in the applicable Final Terms, in the case of Cash Settled Warrants whether automatic exercise ("**Automatic Exercise**") applies to the Warrants, whether settlement shall be by way of cash payment ("**Cash Settled Warrants**") or physical delivery ("**Physical Delivery Warrants**"), whether the Warrants are call Warrants ("**Call Warrants**") or put Warrants ("**Put Warrants**"), or such other type as may be specified in the applicable Final Terms, whether the Warrants may only be exercised in units ("**Units**") and whether Averaging ("**Averaging**") will apply to the Warrants. If Units are specified in the applicable Final Terms, Warrants must be exercised in Units and any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

If the Warrants are Swedish Dematerialised Warrants, they will be European Style Warrants and Cash Settlement and Automatic Exercise will apply.



If the Warrants are Finnish Dematerialised Warrants, they will be European Style Warrants and Cash Settlement and Automatic Exercise will apply.

If the Warrants are Italian Dematerialised Warrants they will be European Style Warrants or American Style Warrants and Cash Settlement and Automatic Exercise will apply.

## **23. TITLE AND TRANSFER OF REGISTERED WARRANTS**

The Issuer shall cause to be kept at the principal office of the Registrar, a register (the "**Register**") on which shall be entered the names and addresses of all holders of the Registered Warrants, the number or amount, as the case may be, and type of the Warrants held by each Holder and details of all transfers of the Warrants.

Each person who is for the time being shown in the Register as the holder of a particular amount of Registered Warrants (each a "**Holder**") shall (except as otherwise required by law) be treated as the absolute owner of such number or amount, as the case may be, of such Warrants for all purposes (regardless of any notice of ownership, trust, or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating such person.

Subject as provided below, title to the Registered Warrants will pass upon the registration of transfers in accordance with the provisions of the Agency Agreement.

A Registered Warrant may be transferred by the transferor or a person duly authorised on behalf of the transferor depositing at the specified office of the Registrar a duly completed transfer certificate (a "**Transfer Certificate**") in the form set out in the Agency Agreement (copies of which are available from the Registrar) signed by or on behalf of the transferor and upon the Registrar after due and careful enquiry being satisfied with the documents of title and the identity of the person making the request and subject to the regulations set out in Schedule 15 to the Agency Agreement, the Registrar should enter the name of the transferee in the Register for the Registered Warrants as the Holder of the Registered Warrant specified in the form of transfer.

Holders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration or exchange in the jurisdiction of the Issuer or in any other jurisdiction where the Registrar's specified office is located.

Registered Warrants and interests therein may not be transferred at any time, directly or indirectly, in the United States or to or for the benefit of a U.S. person, and any such transfer shall not be recognised.

## **24. EXERCISE RIGHTS (WARRANTS)**

### **24.1 Exercise of Warrants**

#### **(a) American Style Warrants**

American Style Warrants are exercisable on any Exercise Business Day during the Exercise Period.

#### *Clearing System Warrants*

The following provisions apply to Clearing System Warrants held by a Common Depository on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System and Warrants

held through Euroclear France ("**Euroclear France Warrants**") or Warrants held through Euroclear Netherlands ("**Euroclear Netherlands Warrants**"):

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice (as defined below) has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m., Luxembourg or Brussels time, as appropriate, on the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such American Style Warrant shall be automatically exercised on the Expiration Date and the provisions of Condition 25.9 shall apply.

The Exercise Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m. (Local Time) to the relevant Clearing System or to the relevant Account Holder (in the case of Euroclear France Warrants or Euroclear Netherlands Warrants), and the copy thereof is received by the Principal Security Agent or, if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, the Expiration Date, is referred to herein as the "**Actual Exercise Date**". If any Exercise Notice is received by the relevant Clearing System or, as the case may be, the relevant Account Holder, or if the copy thereof is received by the Principal Security Agent, in each case, after 10.00 a.m. (Local Time) on any Exercise Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Condition 25 at or prior to 10.00 a.m. (Local Time) on the Expiration Date shall (A) (I) if the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) if the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

The following provisions apply to Rule 144A Global Warrants held by a Custodian on behalf of DTC:

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, shall be automatically exercised on the Expiration Date and the provisions of Condition 25.9 shall apply.

The Business Day during the Exercise Period immediately succeeding the Business Day in New York on which an Exercise Notice is received prior to 5.00 p.m., New York City time, by the New York Security Agent with a copy thereof received by the Principal Security Agent or, if Automatic Exercise is specified as applying in the applicable Final Terms and no Exercise Notice has been delivered at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, the Expiration Date, is referred to herein as the "**Actual Exercise Date**". If any such Exercise Notice is received by the New York Security Agent, or if the copy thereof is received by the

Principal Security Agent, in each case, after 5.00 p.m. on any Business Day in New York, such Exercise Notice will be deemed to have been delivered on the next Business Day in New York and the Business Day in New York immediately succeeding such next Business Day in New York shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date shall (A) (I) if the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

#### *Registered Warrants*

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m., Tokyo time, on the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms any such American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m., Tokyo time, on the Expiration Date shall be automatically exercised on the Expiration Date and the provisions of Condition 25.9 shall apply.

The Exercise Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m., Tokyo time, to the Registrar and a copy thereof so received by the Principal Security Agent or, if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms and no Exercise Notice has been delivered at or prior to 10.00 a.m., Tokyo time, on the Expiration Date, the Expiration Date is referred to herein as the "**Actual Exercise Date**". If any such Exercise Notice is delivered to the Registrar, or if the copy thereof is received by the Principal Security Agent, in each case, after 10.00 a.m., Tokyo time, on any Business Day, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day which next Exercise Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been received in the manner set out in Condition 25, at or prior to 10.00 a.m., Tokyo time, on the Expiration Date shall (A) if (I) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

#### *Private Placement Definitive Warrants*

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, in the case of Private Placement Definitive Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time,

on the Business Day in New York immediately preceding the Expiration Date, shall be automatically exercised on the Expiration Date and the provisions of Condition 25.9 shall apply.

The Business Day during the Exercise Period immediately succeeding the Business Day in New York on which an Exercise Notice is received prior to 5.00 p.m., New York City time, by the Definitive Security Agent with a copy thereof received by the Principal Security Agent or if Automatic Exercise is specified as applying in the applicable Final Terms and no Exercise Notice has been delivered at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, the Expiration Date is referred to herein as the "**Actual Exercise Date**". If any such Exercise Notice is received by the Definitive Security Agent, or if the copy thereof is received by the Principal Security Agent, in each case, after 5.00 p.m., New York City time, on any Business Day in New York, such Exercise Notice will be deemed to have been delivered on the next Business Day in New York and the Business Day in New York immediately succeeding such next Business Day in New York shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date shall (A) if (I) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

#### *Italian Dematerialised Warrants*

If the Warrants are Italian Dematerialised Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m., Milan time on the Expiration Date shall be automatically exercised on the Expiration Date.

The Exercise Business Day during the Exercise Period on which an Exercise Notice (an "**Exercise Notice**") in, or substantially in, the form set out in the applicable Final Terms, is delivered by the Holder prior to 10.00 a.m. (Milan time) to the Italian Security Agent, or if the Warrants are automatically exercised, the Expiration Date is referred to herein as the "**Actual Exercise Date**". If any Exercise Notice is received by the Italian Security Agent, in each case, after 10.00 a.m. (Milan time) on any Exercise Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered to the Italian Security Agent at or prior to 10.00 a.m. (Milan time) on the Expiration Date shall be automatically exercised on the Expiration Date as provided above.

If the Warrants are Italian Dematerialised Warrants and Italian Listed Warrants and such Warrants are automatically exercised on the Expiration Date, prior to the Renouncement Notice Cut-off Time as specified in the applicable Final Terms on the Expiration Date the Holder of a Warrant may renounce automatic exercise of such Warrant by the delivery or sending by fax of a duly completed Renouncement Notice (a "**Renouncement Notice**") in, or substantially in, the form set out in the applicable Final Terms to the Italian Security Agent. Once delivered a Renouncement Notice shall be irrevocable. Any determination as to whether a Renouncement Notice is duly completed and in proper form shall be made by the Italian Security Agent (in consultation with Monte Titoli) and shall be conclusive and binding on the Issuer, the Guarantor, if applicable, and the relevant Holder. Subject as set out below, any Renouncement Notice so determined to be incomplete or not in proper form shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the Italian Security Agent, it shall be deemed to be a new Renouncement Notice submitted at the time such correction was delivered to the Italian Security Agent.

(b) European Style Warrants

European Style Warrants are only exercisable on the Exercise Date.

*Clearing System Warrants*

The following provisions apply to Clearing System Warrants held by a Common Depository on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System and Euroclear France Warrants or Euroclear Netherlands Warrants:

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m. (Local Time) on the Actual Exercise Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 25.9 shall apply.

The following provisions apply to Rule 144A Global Warrants held by a Custodian on behalf of DTC:

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Actual Exercise Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Actual Exercise Date, shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 25.9 shall apply.

*Registered Warrants*

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m., Tokyo time, on the Actual Exercise Date, shall become void. If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m., Tokyo time, on the Actual Exercise Date, shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 25.9 shall apply.

*Private Placement Definitive Warrants*

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Actual Exercise Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Actual Exercise Date, shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 25.9 shall apply.

#### *Swedish Dematerialised Warrants*

If the Warrants are Swedish Dematerialised Warrants, the Warrants will be automatically exercised on the Exercise Date.

#### *Finnish Dematerialised Warrants*

If the Warrants are Finnish Dematerialised Warrants, the Warrants will be automatically exercised on the Exercise Date.

#### *Italian Dematerialised Warrants*

If the Warrants are Italian Dematerialised Warrants, the Warrants will be automatically exercised on the Exercise Date, subject as provided in the following paragraph.

If the Warrants are Italian Dematerialised Warrants and Italian Listed Warrants, prior to the Renouncement Notice Cut-off Time as specified in the applicable Final Terms on the Exercise Date, the Holder of a Warrant may renounce automatic exercise of such Warrant by the delivery or sending by fax of a duly completed Renouncement Notice (a "**Renouncement Notice**") in, or substantially in, the form set out in the applicable Final Terms to the Italian Security Agent. Once delivered a Renouncement Notice shall be irrevocable. Any determination as to whether a Renouncement Notice is duly completed and in proper form shall be made by the Italian Security Agent (in consultation with Monte Titoli) and shall be conclusive and binding on the Issuer, the Guarantor, if applicable, and the relevant Holder. Subject as set out below, any Renouncement Notice so determined to be incomplete or not in proper form shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the Italian Security Agent, it shall be deemed to be a new Renouncement Notice submitted at the time such correction was delivered to the Italian Security Agent.

### 24.2 Cash Settlement

If the Warrants are Cash Settled Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit entitles its Holder, upon due exercise and subject, in the case of Warrants represented by a Clearing System Global Warrant, other than a Rule 144A Global Warrant, or a Registered Warrant, to certification as to non-U.S. beneficial ownership, and, in the case of Warrants represented by Rule 144A Global Warrants and Private Placement Definitive Warrants, to such certifications as to compliance with U.S. securities laws as the Issuer shall require or as shall be set out in the applicable Final Terms, to receive from the Issuer on the Settlement Date the Cash Settlement Amount

If the Cash Settlement Amount is not an amount in the Settlement Currency, it will be converted into the Settlement Currency at the Exchange Rate specified in the applicable Final Terms for the purposes of determining the Cash Settlement Amount. If Aggregation is specified as applicable in the applicable Final Terms Warrants exercised at the same time by the same Holder will be aggregated for the purpose of determining the aggregate Cash Settlement Amounts payable in respect of such Warrants or Units, as the case may be.

### 24.3 Physical Settlement

If the Warrants are Physical Delivery Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, entitles its Holder, upon due exercise and subject, in the case of Warrants represented by a Clearing System Global Warrant, other than a Rule 144A Global Warrant, or a Registered Warrant, to certification as to non-U.S. beneficial ownership, and, in the case of Warrants represented by a Rule 144A Global Warrant or a Private Placement Definitive Warrant, to such certifications as to compliance with U.S. securities laws as the Issuer shall require, to receive from the Issuer on the Settlement Date the Entitlement subject to payment of the relevant Exercise Price and any other sums payable. The method of delivery of the Entitlement is set out in the applicable Final Terms.

If Aggregation is specified as applicable in the applicable Final Terms Warrants or Units, as the case may be, exercised at the same time by the same Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Warrants or Units, as the case may be, provided that the aggregate Entitlements in respect of the same Holder will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, and a cash adjustment will be made in respect thereof.

Following exercise of a Share Security which is a Physical Delivery Warrant, all dividends on the relevant Shares to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares executed on the relevant Actual Exercise Date and to be delivered in the same manner as such relevant Shares. Any such dividends to be paid to a Holder will be paid to the account specified by the Holder in the relevant Exercise Notice as referred to in Condition 25.

Commodity Securities shall not be Physical Delivery Warrants.

### 24.4 General

In relation to any Cash Settled Warrants where Automatic Exercise is specified as applying in the applicable Final Terms, the expressions "**exercise**", "**due exercise**" and related expressions shall be construed to apply to any such Cash Settled Warrants which are automatically exercised in accordance with the above provisions.

All references in this Condition to "**Luxembourg or Brussels time**" or "**New York time**" shall, where Warrants are cleared through an additional or alternative clearing system, be deemed to refer as appropriate to the time in the city where the relevant clearing system is located.

## 25. EXERCISE PROCEDURE (WARRANTS)

### 25.1 Exercise Notice in respect of Clearing System Warrants

Subject as provided in Condition 25.9, Warrants represented by a Clearing System Global Warrant held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System and Euroclear France Warrants or Euroclear Netherlands Warrants, may only be exercised by the delivery, or the sending by fax, of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Agency Agreement (copies of which form may be obtained from the relevant Clearing System (in the case of English Law Warrants other than English Law Warrants held through Euroclear France) or the relevant Account Holder (in the case of Euroclear France Warrants or Euroclear Netherlands Warrants) and the relevant Security Agents during normal office hours) to the

relevant Clearing System or, as the case may be, the relevant Account Holder, with a copy to the Principal Security Agent in accordance with the provisions set out in Condition 24 and this Condition.

Subject as provided in Condition 25.9, Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC may only be exercised by the delivery by facsimile of a duly completed Exercise Notice in the form set out in the Agency Agreement (copies of which form may be obtained from the relevant Security Agents) to the New York Security Agent with a copy to the Principal Security Agent, in accordance with the provisions set out in Condition 24 and this Condition.

- (a) In the case of Cash Settled Warrants, the Exercise Notice shall:
- (i) specify the Series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
  - (ii) specify the number of the Holder's securities account at the relevant Clearing System (in the case of English Law Warrants other than English Law Warrants held through Euroclear France) or the relevant Account Holder (in the case of Euroclear France Warrants or Euroclear Netherlands Warrants) to be debited with the Warrants or in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the designated account at DTC to be debited with the Warrants being exercised;
  - (iii) irrevocably instruct the relevant Clearing System or, as the case may be, the relevant Account Holder to debit on or before the Settlement Date the Holder's securities account with the Warrants being exercised or in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, irrevocably instruct the New York Security Agent to exercise the Warrants debited to the account of the Holder and credited to the account of the New York Security Agent by means of DTC's DWAC function;
  - (iv) (A) specify the number of the Holder's account at the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised or (B) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the details of the account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
  - (v) (A) include an undertaking to pay all Security Expenses, and an authority to the relevant Clearing System or, as the case may be, the relevant Account Holder to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit a specified account of the Holder at the relevant Clearing System or as the case may be, the relevant Account Holder or (B) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, an authority to the New York Security Agent to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and to pay such Security Expenses and/or to debit a specified account of the Holder in respect thereof and to pay such Security Expenses;



- (vi) certify, in the case of Warrants represented by a Clearing System Global Warrant other than a Rule 144A Global Warrant, that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and, where appropriate, including in the case of Warrants represented by a Rule 144A Global Warrant, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by the relevant Agent; and
- (vii) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

(b) In the case of Physical Delivery Warrants, the Exercise Notice shall:

- (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
- (ii) specify the number of the Holder's securities account at the relevant Clearing System or, as the case may be, the relevant Account Holder to be debited with the Warrants being exercised or, in case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the designated account at DTC to be debited with the Warrants being exercised;
- (iii) irrevocably instruct Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System or, as the case may be, the relevant Account Holder to debit on or before the Settlement Date the Holder's securities account with the Warrants being exercised or Units, as the case may be, being exercised or in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, irrevocably instruct the New York Security Agent to exercise the Warrants or Units, as the case may be, debited to the account of the Holder and credited to the account of the New York Security Agent by means of DTC's Deposit and Withdrawal at Custodian, or "DWAC", function;
- (iv) irrevocably instruct the relevant Clearing System or, as the case may be, the relevant Account Holder to debit on the Actual Exercise Date a specified account of the Holder with such Clearing System or Account Holder with the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be (together with any other amounts payable), or, in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, contain an undertaking to pay BNPP the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be (together with any other amounts payable), to the account of the New York Security Agent on the Actual Exercise Date;
- (v) include an undertaking to pay all Security Expenses and (A) in the case of Warrants represented by a Clearing System Global Warrant held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing

System or a Euroclear France Warrant, an authority to the relevant Clearing System or, as the case may be, the relevant Account Holder to debit a specified account of the Holder at the relevant Clearing System or at the relevant Account Holder in respect thereof and to pay such Security Expenses, or (B) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, an authority to the New York Security Agent to debit a specified account of the Holder in respect thereof and to pay such Security Expenses;

- (vi) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and (A) specify the name and the number of the Holder's account with the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Cash Settlement Price, as applicable, or as a result of the Issuer electing to pay the Alternate Cash Amount, or (B) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the details of the account to be credited with any cash payable by BNPP, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of BNPP electing to pay the Alternate Cash Amount;
- (vii) in the case of Currency Securities only, specify the number of the Holder's account at the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with the amount due upon exercise of the Warrants or Units, as the case may be, or in the case of Currency Securities represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the designated account at DTC to credited with the amount due upon exercise of the Warrants or Units, as the case may be;
- (viii) certify, in the case of Warrants represented by a Clearing System Global Warrant other than a Rule 144A Global Warrant, that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof and, where appropriate, including in the case of Warrants represented by a Rule 144A Global Warrant, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as indicated and set out in the applicable Final Terms; and
- (ix) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (c) If Condition 5.3(b) applies, the form of Exercise Notice required to be delivered will be different from that set out above. Copies of such Exercise Notice may be obtained from the relevant Clearing System or, as the case may be, the relevant Account Holder and the Security Agents during normal office hours.

If Condition 5.3(b) applies, Holders will be required to deliver an Exercise Notice specifying appropriate information relating to the settlement of Cash Settled Warrants.

## 25.2 Exercise Notice in respect of Private Placement Definitive Warrants

Warrants may only be exercised by the delivery by facsimile of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Agency Agreement (copies of which form may be obtained from the relevant Security Agents during normal office hours) to the Definitive Security Agent with a copy to the Principal Security Agent in accordance with the provisions set out in Condition 24 and this Condition.

- (a) In the case of Cash Settled Warrants, the Exercise Notice shall:
  - (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
  - (ii) irrevocably instruct the Definitive Security Agent to remove from the Private Placement Register on or before the Settlement Date the Warrants being exercised;
  - (iii) specify the details of the account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
  - (iv) include an undertaking to pay all Security Expenses and an authority to the Definitive Security Agent to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit a specified account of the Holder in respect thereof;
  - (v) include an undertaking to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by the relevant Agent; and
  - (vi) authorise the production of such certification in any applicable administrative or legal proceedings,all as provided in the Agency Agreement.
- (b) In the case of Physical Delivery Warrants, the Exercise Notice shall:
  - (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
  - (ii) irrevocably instruct the Registrar to remove from the Register on or before the Settlement Date the Warrants being exercised;

- (iii) include an undertaking to pay BNPP the aggregate Exercise Prices in respect of such Warrant, or Units, as the case may be (together with any other amount payable), to the account of the Definitive Security Agent on the Actual Exercise Date;
- (iv) include an undertaking to pay all Security Expenses and an authority to the Definitive Security Agent to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit a specified account of the Holder in respect thereof;
- (v) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the account to be credited with any cash payable by BNPP, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of BNPP electing to pay the Alternate Cash Amount;
- (vi) in the case of Currency Securities only, specify the details of the account to be credited with the amount due upon exercise of the Warrants;
- (vii) include an undertaking to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by the relevant Agent; and
- (viii) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (c) If Condition 5.3(b) applies, the form of Exercise Notice required to be delivered will be different from that set out above. Copies of such Exercise Notice may be obtained from the Definitive Security Agent.

### 25.3 Exercise Notice in respect of Registered Warrants

The following provisions apply to Registered Warrants:

Warrants may only be exercised by the delivery in writing of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Agency Agreement (copies of which form may be obtained from the Registrar) to the Registrar with a copy to the Principal Security Agent in accordance with the provisions set out in Condition 24 and this Condition.

- (a) In the case of Cash Settled Warrants, the Exercise Notice shall:
  - (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
  - (ii) irrevocably instruct the Registrar to remove from the Register on or before the Settlement Date the Warrants being exercised;

- (iii) specify the details of the account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
- (iv) include an undertaking to pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the exercise of such Warrants ("**Security Expenses**") and an authority to the Registrar to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder;
- (v) certify, *inter alia*, that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and
- (vi) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

(b) In the case of Physical Delivery Warrants, the Exercise Notice shall:

- (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
- (ii) irrevocably instruct the Registrar to remove from the Register on or before the Settlement Date the Warrants being exercised;
- (iii) include an undertaking to pay to the Issuer the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be (together with any other amounts payable);
- (iv) include an undertaking to pay all Security Expenses;
- (v) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the account to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Cash Settlement Price, as applicable, or as a result of the Issuer electing to pay the Alternate Cash Amount;
- (vi) in the case of Currency Securities only, specify the details of the account to be credited with the amount due upon exercise of the Warrants;
- (vii) certify, *inter alia*, that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other

property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and

- (viii) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (c) If Condition 5.3(b) applies, the form of Exercise Notice required to be delivered will be different from that set out above. Copies of such Exercise Notice may be obtained from the Registrar.

#### 25.4 Exercise Notice in respect of Italian Dematerialised Warrants

Warrants which are Italian Dematerialised Warrants may be exercised by the delivery or the sending by fax of a duly completed Exercise Notice to the Italian Security Agent in accordance with the provisions set out in Condition 24 and this Condition.

The Exercise Notice shall:

- (a) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
- (b) specify the number of the Holder's securities account with Monte Titoli to be debited with the Warrants;
- (c) irrevocably instruct Monte Titoli to debit on or before the Settlement Date, the specified securities account with the Warrants being exercised;
- (d) specify the number of the Holder's account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
- (e) include an undertaking to pay or procure the payment of all Security Expenses, and an authority to the Italian Security Agent to deduct any amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit the specified account of the Holder; and
- (f) certify that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and, where appropriate, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by the relevant Agent.

#### 25.5 Verification of the Holder

In the case of Clearing System Warrants (other than Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC), upon receipt of an Exercise Notice, the relevant Clearing System (in the case of English Law Warrants) or the relevant Account Holder (in the case of French Law Warrants) shall verify that the person exercising the Warrants is the holder thereof according to the books of such Clearing System (in the case of English Law Warrants) or in the accounts of the relevant Account Holders (in the case of French Law Warrants). Subject thereto, the

relevant Clearing System or, as the case may be, the relevant Account Holder will confirm to the Principal Security Agent the series number and the number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for the delivery of the Entitlement of each Warrant or Unit, as the case may be, being exercised. Upon receipt of such confirmation, the Principal Security Agent will inform the Issuer thereof. The relevant Clearing System or, as the case may be, the relevant Account Holder will on or before the Settlement Date debit the securities account of the relevant Holder with the Warrants being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the English Law Warrants constituted by the relevant Clearing System Global Warrant, the Common Depositary will, on the instructions of, and on behalf of the Principal Security Agent, note such exercise on the Schedule to such Clearing System Global Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

In the case of Registered Warrants, upon receipt of an Exercise Notice, the Registrar shall verify that the person exercising the Warrants is the Holder according to the Register. Subject thereto, the Registrar shall confirm to the Issuer and the Agent the series number and the number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for delivery of the Entitlement of each Warrant or Unit, as the case may be, being exercised. The Registrar will on or before the Settlement Date remove from the Register the Warrants being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by the Registered Global Warrant, the Registrar will note such exercise on the Schedule to the Registered Global Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

In the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, upon receipt of an Exercise Notice, the New York Security Agent shall verify that the person exercising the Warrants is the Holder according to the records of DTC. Subject thereto, the New York Security Agent shall notify BNPP of the number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for delivery of the Entitlement in respect of each Warrant or Unit, as the case may be, being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by the Rule 144A Global Warrant held by a Custodian on behalf of DTC, the New York Security Agent will note such exercise on the Schedule to such Rule 144A Global Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

In the case of Private Placement Definitive Warrants, upon receipt of an Exercise Notice, the Definitive Security Agent shall verify that the person exercising the Warrants is the Holder according to the Private Placement Register. Subject thereto, the Definitive Security Agent shall notify BNPP of the number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount, or, as the case may be, the details for delivery of the Entitlement in respect of each Warrant or Unit being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by such Private Placement Definitive Warrant, the Holder will surrender such Private Placement Definitive Warrant and BNPP shall execute and the Definitive Security Agent shall authenticate and make available for delivery to the Holder a new Private Placement Definitive Warrant, in an amount equal to, and in exchange for, the unexercised portion of the Private Placement Definitive Warrant being surrendered. Notwithstanding any other provision set out herein, Private Placement Definitive Warrants may only be exercised in a notional amount of at least U.S. \$250,000, and the remaining unexercised portion thereof must be at least U.S. \$250,000.

In the case of Italian Dematerialised Warrants, upon receipt of an Exercise Notice, the Italian Security Agent shall verify that the person exercising the Warrants is the holder thereof according to the records of Monte Titoli. Subject thereto, Monte Titoli will confirm to the Italian Security Agent the series number and the number of Warrants being exercised and the account details for the payment of the Cash Settlement Amount. Upon such verification, the Italian Security Agent will inform the Issuer thereof. Monte Titoli will on or before the Settlement Date debit the securities account of the relevant Holder with the Warrants being exercised and accordingly reduce the number of Warrants of the relevant series by the cancellation *pro tanto* of the Warrants so exercised.

## 25.6 Settlement

### (a) Cash Settled Warrants

If the Warrants are Cash Settled Warrants other than Swedish Dematerialised Warrants, Finnish Dematerialised Warrants or Italian Dematerialised Warrants, the Issuer shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant or Unit, as the case may be, to the Holder's account specified in the relevant Exercise Notice for value on the Settlement Date less any Security Expenses.

If the Warrants are Swedish Dematerialised Warrants, payment of the Cash Settlement Amount (if any) will be made to the persons registered as Holders in the register maintained by Euroclear Sweden on the fourth Business Day immediately prior to the Settlement Date (the "**Swedish Record Date**"). The Swedish Security Agent will pay the Cash Settlement Amount through Euroclear Sweden to each Holder appearing in the Euroclear Sweden Register on the Swedish Record Date on the Settlement Date.

If the Warrants are Finnish Dematerialised Warrants, payment of the Cash Settlement Amount (if any) will be made to the persons registered as Holders in the register maintained by Euroclear Finland on the fifth trading day following the Valuation Date (the "**Finnish Record Date**"). The Finnish Security Agent will pay the Cash Settlement Amount on the third Business Day following the Finnish Record Date to each Holder appearing in the Euroclear Finland Register on the Finnish Record Date. In the event of late payment not due to an event or circumstance mentioned below in this paragraph, penalty interest will be payable on the overdue amount from the due date for payment thereof up to and including the date on which payment is made at an interest rate corresponding to, in the case of Helsinki Business Day, EURIBOR (or any other interbank offered rate applicable in Helsinki) increased by one percentage point. Interest will not be capitalized. Where the Issuer, the Guarantor (if any) or any Security Agent, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance, is prevented from effecting payment, such payment may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay penalty interest. The provisions in this paragraph shall apply to the extent that nothing to the contrary follows from the provisions of the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)).

If the Warrants are Italian Dematerialised Warrants, the Issuer shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant or Unit, as the case may be, by credit or transfer to the Holder's account at Monte Titoli for value on the Settlement Date less any Security Expenses. The Issuer or the Guarantor will be discharged by payment to, or to the order of, Monte Titoli in respect of the amount so paid. Each of the persons shown in the records of



Monte Titoli as the holder of a particular amount of the Warrants must look solely to Monte Titoli for his share of each such payment so made to, or to the order of, Monte Titoli.

(b) Physical Delivery Warrants

Subject to payment of the aggregate Exercise Prices and payment of any Security Expenses with regard to the relevant Warrants or Units, as the case may be, the Issuer shall on the Settlement Date deliver, or procure the delivery of, the Entitlement for each duly exercised Warrant or Unit, as the case may be, pursuant to the details specified in the Exercise Notice. Subject as provided in Condition 24.3, the Entitlement shall be delivered and evidenced in such manner as set out in the applicable Final Terms.

25.7 Determinations

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by (a) in the case of Clearing System Warrants (other than Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC), the relevant Clearing System (in the case of English Law Warrants other than English Law Warrants held through Euroclear France) or the relevant Account Holder (in the case of Euroclear France Warrants or Euroclear Netherlands Warrants), (b) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, the New York Security Agent, (c) in the case of Private Placement Definitive Warrants, the Definitive Security Agent, (d) in the case of Registered Warrants, the Registrar, in each case, in consultation with the Principal Security Agent or (e) in the case of Italian Dematerialised Warrants, the Italian Security Agent (in consultation with Monte Titoli) and shall be conclusive and binding on the Issuer, the Guarantor, if any, the Security Agents and the relevant Holder. Subject as set out below, any Exercise Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Security Agent or the Issuer, as the case may be, immediately after being delivered or sent to the relevant Clearing System, the New York Security Agent or the Definitive Security Agent or the Italian Security Agent, as the case may be, or, as the case may be, the relevant Account Holder as provided in Condition 25.1 above or the Registrar as provided in Condition 25.3 above, as the case may be, shall be null and void. In the case of Italian Dematerialised Warrants, the Italian Security Agent shall use its best efforts promptly to notify the Holder submitting an Exercise Notice if, in consultation with Monte Titoli, it has determined that such Exercise Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, if any, the Italian Security Agents or Monte Titoli shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

If such Exercise Notice is subsequently corrected to the satisfaction of the relevant Clearing System, the New York Security Agent, the Definitive Security Agent, the relevant Account Holder or the Registrar or the Italian Security Agent, as the case may be, in consultation with the Principal Security Agent, it shall be deemed to be a new Exercise Notice submitted at the time such correction was delivered to the relevant Clearing System, the New York Security Agent, the Definitive Security Agent, the relevant Account Holder or the Registrar or the Italian Security Agent, as the case may be, and the Principal Security Agent or the Issuer, as the case may be.

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any Warrant with respect to which the Exercise Notice has not been duly completed and delivered in the manner set out above by the cut-off time specified in Condition 24.1(a), in the case of American Style Warrants, or Condition 24.1(b), in the case of European Style Warrants, shall become void.

The relevant Clearing System, the New York Security Agent or the Definitive Security Agent or the Italian Security Agent (in the case of English Law Warrants other than English Law Warrants held through Euroclear France) or the relevant Account Holder (in the case of Euroclear France Warrants or Euroclear Netherlands Warrants) or the Registrar, as the case may be, shall use its best efforts promptly to notify the Holder submitting an Exercise Notice if, in consultation with the Principal Security Agent or the Issuer, as the case may be, it has determined that such Exercise Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, if any, the Security Agents, the Registrar or the relevant Clearing System or, as the case may be, the relevant Account Holder shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

#### 25.8 Delivery of an Exercise Notice

Delivery of an Exercise Notice shall constitute an irrevocable election by the relevant Holder to exercise the Warrants specified. After the delivery of such Exercise Notice, such exercising Holder may not transfer such Warrants.

#### 25.9 Automatic Exercise

- (a) This Condition only applies if the Warrants are Cash Settled Warrants which are not Swedish Dematerialised Warrants, Finnish Dematerialised Warrants or Italian Dematerialised Warrants, Automatic Exercise is specified as applying in the applicable Final Terms and Warrants are automatically exercised as provided in Condition 24.1(a) or Condition 24.1(b).
- (b) No Exercise Notice is required to be submitted or any other action required to be taken (in the case of Clearing System Warrants other than Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC) by any relevant Holder of a Warrant in order to receive the Cash Settlement Amount in respect of such Warrant, or if Units are specified in the applicable Final Terms, a Unit, as the case may be. The Issuer shall transfer or cause to be transferred to each Clearing System through which such Warrants are held an amount equal to the aggregate of the Cash Settlement Amounts in respect of the Warrants held in each such Clearing System and each such Clearing System shall, subject to having received such aggregate Cash Settlement Amount, on the Settlement Date credit the account of each Holder of such Warrant(s) in its books with an amount equal to the aggregate Cash Settlement Amount relating to the Warrant(s) held by such Holder and on or before the Settlement Date debit such account with the number of Warrants exercised and in respect of which such Cash Settlement Amount is being paid. Neither the Issuer nor, if applicable, the Guarantor shall have any responsibility for the crediting by the relevant Clearing System of any such amounts to any such accounts.
- (c) In order to receive the Cash Settlement Amount in respect of a Warrant, or if Units are specified in the applicable Final Terms, a Unit, as the case may be, the relevant Holder must (i) (A) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, deliver by facsimile a duly completed Exercise Notice to the New York Security Agent with a copy to the Principal Security Agent or (B) in the case of Private Placement Definitive Warrants, deliver by facsimile a duly completed Exercise Notice together with the relevant Private Placement Definitive Warrant to the Definitive Security Agent with a copy to the Principal Security Agent, on any Business Day in New York until not later than 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the day (the "**Cut-off Date**") falling 180 days after (I) the Expiration Date, in the case of American Style Warrants, or (ii) the Actual Exercise Date, in the case of European Style Warrants, or (II) in the case of Registered Warrants, deliver in writing a duly completed Exercise

Notice to the Registrar with a copy to the Principal Security Agent, on any Business Day until not later than 10.00 a.m., Tokyo time, on the Cut-off Date (as defined above). The Exercise Notice shall include the applicable information set out in the Exercise Notice referred to in Condition 25.1(a), Condition 25.1(b), Condition 25.1(c), Condition 25.2(a), Condition 25.2(b), Condition 25.2(c), Condition 25.3(a), Condition 25.3(b) or Condition 25.3(c), as applicable. The Business Day during the period from the Expiration Date or the Actual Exercise Date, as the case may be, until the Cut-off Date on which an Exercise Notice is delivered to the relevant Clearing System, the New York Security Agent, the Definitive Security Agent or, as the case may be, the relevant Account Holder, or in the case of Registered Warrants, the Registrar, and a copy thereof delivered to the Principal Security Agent is referred to in this Condition 25.9 as the "**Exercise Notice Delivery Date**", provided that, (a) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, if the Exercise Notice is received by the New York Security Agent or the copy thereof is received by the Principal Security Agent, in each case, after 5.00 p.m., New York City time, on any Business Day in New York, such Exercise Notice shall be deemed to have been delivered on the next Business Day in New York, and the Business Day in New York immediately succeeding such next Business Day in New York shall be deemed to be the Exercise Notice Delivery Date, (b) in the case of Private Placement Definitive Warrants, if the Exercise Notice is received by the Definitive Security Agent or the copy thereof received by the Principal Security Agent after 5.00 p.m., New York City time, on any Business Day in New York, such Exercise Notice shall be deemed to have been delivered on the next Business Day in New York, and the Business Day in New York immediately succeeding such next Business Day in New York shall be deemed to be the Exercise Notice Delivery Date and (c) in the case of Registered Warrants, if the Exercise Notice is received by the Registrar or the copy thereof received by the Principal Security Agent after 10.00 a.m., Tokyo time, on any Business Day, such Exercise Notice shall be deemed to have been delivered on the next Business Day, which Business Day shall be deemed to be the Exercise Notice Delivery Date.

Subject to the relevant Holder performing its obligations in respect of the relevant Warrant or Unit, as the case may be, in accordance with these Conditions, the Settlement Date for such Warrants or Units, as the case may be, shall be the fifth Business Day following the Exercise Notice Delivery Date. In the event that a Holder does not, where applicable, so deliver an Exercise Notice in accordance with this Condition 25.9 prior to (a) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC or Private Placement Definitive Warrants, 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Cut-off Date or (b) in the case of Registered Warrants, 10.00 a.m., Tokyo time, on the Cut-off Date, the Issuer's obligations in respect of such Warrants shall be discharged and no further liability in respect thereof shall attach to the Issuer or the Guarantor, if any. For the avoidance of doubt, a Holder shall not be entitled to any payment, whether of interest or otherwise, in respect of the period from the Actual Exercise Date to the Settlement Date.

#### 25.10 Exercise Risk

Exercise of the Warrants is subject to all applicable laws, regulations and practices in force on the relevant Exercise Date and none of the Issuer, the Guarantor, if any, the Registrar or the Security Agents shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. None of the Issuer, the Guarantor, if any, or the Agents shall under any circumstances be liable for any acts or defaults of the relevant Clearing System or, as the case may be, the relevant Account Holder in relation to the performance of its duties in relation to the Warrants.

#### 25.11 Automatic Early Expiration

- (a) If "Automatic Early Expiration" is specified as applicable in the applicable Final Terms, then unless previously exercised or cancelled, if on (i) any Automatic Early Expiration Valuation Date (the "**Relevant Automatic Early Expiration Valuation Date**") or (ii) in respect of an Automatic Early Expiration Valuation Period, as specified in the applicable Final Terms, an Automatic Early Expiration Event occurs, then the Warrants will be automatically cancelled in whole, but not in part, on the relevant Automatic Early Expiration Date and the amount (if any) payable on the Automatic Early Expiration Settlement Date by the Issuer upon cancellation shall be equal to the relevant Automatic Early Expiration Payout Amount.

- (b) Definitions relating to Automatic Early Expiration

"**AER Knock-out**" means the occurrence (such date of occurrence the **AER Knock-out Date**) of a Knock-out Event and/or a Knock-in Event as specified in the applicable Final Terms;

"**Automatic Early Expiration Date**" means the Relevant Automatic Early Expiration Valuation Date or if such date is not a Business Day, the next following Business Day, and no Holder shall be entitled to any interest or further payment in respect of such delay;

"**Automatic Early Expiration Event**" means that (a) if SPS AER Valuation is specified as applicable, the SPS AER Value is; or (b) if SPS AER Valuation is specified as not applicable (i) if AER Knock-out is specified as applicable, an AER Knock-out occurs or (ii) if AER Knock-out is specified as not applicable (x) in the case of a single Underlying Reference, the Underlying Reference Level or (y) in the case of a Basket of Underlying References, the Basket Price is in each case, (A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Automatic Early Expiration Level as specified in the applicable Final Terms;

"**Automatic Early Expiration Level**" means the level, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

"**Automatic Early Expiration Settlement Date**" means the date specified as such in the applicable Final Terms;

"**Automatic Early Expiration Valuation Time**" means the time specified as such in the applicable Final Terms;

"**Automatic Early Expiration Payout Amount**" means an amount in the Settlement Currency equal to the Automatic Early Redemption Payout set out in the applicable Final Terms, provided that if the product of the Automatic Early Redemption Payout is zero, no amount shall be payable on cancellation of the Warrant pursuant to this Condition and such Warrant shall expire worthless;

"**Automatic Early Expiration Valuation Date**" means (i) the AER Knock-out Date or (ii) each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities or ETI Securities, a Custom Index Business Day (in the case of Custom Index Securities), a Commodity Business Day (in the case of Commodity Securities), Fund Business Day (in the case of Fund Securities), Business Day (in the case of other Securities), as applicable, the next following Scheduled Trading Day, Custom Index Business Day, Commodity Business Day, Fund Business Day or Business Day, as applicable, unless in the case of Index Securities, Share Securities, ETI Securities or Commodity Securities, in the

opinion of the Calculation Agent, any such day is a Disrupted Day (in respect of Index Securities (other than Custom Index Securities), Share Securities or ETI Securities), a Custom Index Disruption Event is occurring on such day (in respect of Custom Index Securities) or a Market Disruption Event is occurring on such day (in respect of Commodity Securities). If any such day is a Disrupted Day, a day on which a Custom Index Disruption Event is occurring or (except in the case of Commodity Securities) a day on which a Market Disruption Event is occurring, as applicable, then the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Automatic Early Expiration Valuation Date" or (in the case of Commodity Securities) if any such day is a day on which a Market Disruption Event is occurring, then the provisions of "Pricing Date" shall apply *mutatis mutandis* as if references in such provision to "Pricing Date" were to "Automatic Early Expiration Valuation Date";

**"Automatic Early Redemption Expiration Period"** means the period specified as such in the applicable Final Terms;

**"Basket of Underlying References"** means, for the purposes of this Condition 25.11, the Basket of Indices, Basket of Shares, ETI Basket, Basket of Commodities, Basket of Commodity Indices, Basket of Futures or other basis of reference to which the value of the relevant W&C Securities may relate, as specified in the applicable Final Terms;

**"Basket Price"** means, in respect of any Automatic Early Expiration Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each Underlying Reference as the product of (a) the Underlying Reference Level of such Underlying Reference on such Automatic Early Expiration Valuation Date and (b) the relevant Weighting;

**"Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Relevant Adjustment Provisions"** means:

- (a) in the case of Index W&C Securities, Index Security Condition 2 (Market Disruption) and Index Security Condition 3 (Adjustments to an Index);
- (b) in the case of Custom Index W&C Securities, Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);
- (c) in the case of Share W&C Securities, Share Security Condition 2 (Market Disruption), Share Security Condition 3 (Potential Adjustment Events) and Share Security Condition 4 (Extraordinary Events);
- (d) in the case of ETI W&C Securities, ETI Security Condition 2 (Market Disruption) and ETI Security Condition 3 (Potential Adjustment Events);
- (e) in the case of Commodity W&C Securities, Commodity Security Condition 2 (Market Disruption), Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) and Commodity Security Condition 4 (Adjustments to a Commodity Index);
- (f) in the case of Currency W&C Securities, Currency Security Condition 3 (Consequences of a Disruption Event); and

- (g) in the case of Futures W&C Securities, Futures Security Condition 3 (Adjustments to a Future);

**"Underlying Reference"** means, for the purposes of this Condition 25.11 each Index, Custom Index, Share, ETI Interest, Commodity, Commodity Index, Subject Currency, Future, Fund, Underlying Interest Rate or other basis of reference to which the relevant W&C Securities relate; and

**"SPS AER Value"** means the value from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 as specified as such in the applicable Final Terms;

**"Underlying Reference Level"** means, in respect of any Automatic Early Expiration Valuation Date, (i) "official level", "official close", "last price", "bid price", or "asked price" of the Underlying Reference, as specified in the applicable Final Terms published by the Observation Price Source or (ii) if Standard Underlying Reference Level is specified as applicable in the applicable Final Terms (a) in the case of Share Securities, ETI Securities and Futures Securities the price of the relevant Underlying Reference, (b) in the case of Index Securities and Custom Index Securities, the level of the relevant Underlying Reference, (c) in the case of Commodity Securities, the Relevant Price, or (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), in each case, as determined by the Calculation Agent as of the Automatic Early Expiration Valuation Time on such Automatic Early Expiration Valuation Date or, in the case of the "official close" level, at such time on such Automatic Early Expiration Valuation Date as the "official close" level is published by the Observation Price Source.

#### 25.12 AER Rate Determination

Where the applicable Final Terms specify that the AER Rate is determined by reference to a Screen Rate, the provisions of Condition 34.9 will apply.

### 26. MINIMUM AND MAXIMUM NUMBER OF WARRANTS EXERCISABLE

#### 26.1 American Style Warrants

This Condition 26.1 applies only to American Style Warrants.

- (a) The number of Warrants exercisable by any Holder on any Actual Exercise Date or, in the case of Automatic Exercise, the number of Warrants held by any Holder on any Actual Exercise Date, in each case as determined by the Issuer, must not be less than the Minimum Exercise Number specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.
- (b) If the Issuer determines that the number of Warrants being exercised on any Actual Exercise Date by any Holder or a group of Holders (whether or not acting in concert) exceeds the Maximum Exercise Number (a number equal to the Maximum Exercise Number being the "**Quota**"), the Issuer may deem the Actual Exercise Date for the first Quota of such Warrants, selected at the discretion of the Issuer, to be such day and the Actual Exercise Date for each additional Quota of such Warrants (and any remaining number thereof) to be each of

the succeeding Exercise Business Days until all such Warrants have been attributed with an Actual Exercise Date, provided, however, that the deemed Actual Exercise Date for any such Warrants which would thereby fall after the Expiration Date shall fall on the Expiration Date. In any case where more than the Quota of Warrants are exercised on the same day by Holder(s), the order of settlement in respect of such Warrants shall be at the sole discretion of the Issuer.

## 26.2 European Style Warrants

This Condition 26.2 applies only to European Style Warrants.

The number of Warrants exercisable by any Holder on the Exercise Date, as determined by the Issuer, must be equal to the Minimum Exercise Number specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

## 27. TERMS APPLICABLE TO CERTIFICATES ONLY

Conditions 28 to 36 apply to Certificates only.

## 28. DEFINITIONS

"**Averaging Date**" means:

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices (each as defined in Annex 2)), Share Securities, ETI Securities, Debt Securities, Fund Securities or Futures Securities, each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then:
  - (i) if "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision no Averaging Date would occur, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price, value or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
  - (ii) if "**Postponement**" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price, value or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
  - (iii) if "**Modified Postponement**" is specified as applying in the applicable Final Terms, then:
    - (A) where the Certificates are Index Securities relating to a single Index, Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest or Futures Securities relating to single Future, the Averaging Date

shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date), and (II) the Calculation Agent shall determine the relevant level, value or price for that Averaging Date in accordance with subparagraph (a)(i) of the definition of "Valuation Date" below; and

- (B) where the Certificates are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket of ETI Interests or Futures Securities relating to a Basket of Futures, the Averaging Date for each Index, Share, ETI Interest or Future not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the "**Scheduled Averaging Date**") and the Averaging Date for each Index, Share, ETI Interest or Future affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Index, Share, ETI Interest or Future. If the first succeeding Valid Date in relation to such Index, Share, ETI Interest or Future has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date) in respect of such Index, Share, ETI Interest or Future, and (II) the Calculation Agent shall determine the relevant level, price, value or amount for that Averaging Date in accordance with subparagraph (a)(ii) of the definition of "Valuation Date" below; or
- (b) in the case of Commodity Securities, each date specified as such in the applicable Final Terms or, if any such date is not a Commodity Business Day, the immediately following Commodity Business Day unless, in the opinion of the Calculation Agent, any such day is a day on which a Market Disruption Event has occurred or is continuing, in which case the provisions of Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) shall apply; or
- (c) in the case of Open End Certificates, the date designated as such by the Issuer in its sole and absolute discretion, provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 10 at the latest on the tenth (10th) Business Day preceding the contemplated Averaging Date;

**"Calculation Period"** means each Interest Period, Premium Amount Period, AER Calculation Period, FR Calculation Period, Call Calculation Period or Put Calculation Period, as applicable;



**"Cash Settlement Amount"** means, in relation to Cash Settled Certificates, the amount (which may never be less than zero) to which the Holder is entitled in the Settlement Currency in relation to each such Certificate equal to the Final Payout specified in the applicable Final Terms.

The Cash Settlement Amount (if any) shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention, provided that if Rounding Convention 2 is specified as applicable in the applicable Final Terms, the Cash Settlement Amount shall not be subject to rounding but Securities of the same Series held by the same Holder will be aggregated for the purpose of determining the aggregate Cash Settlement Amount in respect of such Certificates and the aggregate of such Cash Settlement Amounts will be rounded down to the nearest whole sub-unit of the Settlement Currency in such manner as the Calculation Agent shall determine,

provided that if the product of the Final Payout is zero, no amount shall be payable in respect of the relevant Certificate;

**"Cut-off Date"** means the date specified as such in the applicable Final Terms or if not so set out (a) in respect of Physical Delivery Certificates that are not Credit Certificates, the third Business Day immediately preceding the Redemption Date or (b) in respect of Credit Certificates, the first Business Day following receipt of the relevant Notice of Physical Settlement;

**"English Law Certificates"** means the Certificates specified in the applicable Final Terms as being governed by English law;

**"Entitlement"** means in relation to a Physical Delivery Certificate (other than a Credit Certificate), the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Holder is entitled to receive on the Redemption Date in respect of each such Certificate following payment of any sums payable (including Expenses as defined in Condition 11 rounded down as provided in Condition 35.2(d) as determined by the Calculation Agent including any documents evidencing such Entitlement which amount will be the Entitlement Amount specified in the applicable Final Terms;

**"Finnish Dematerialised Certificates"** means Certificates in registered, uncertified and dematerialised book-entry form in accordance with the provisions of the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) and with the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)) accepted by Euroclear Finland for clearing and registration in the Euroclear Finland System;

**"French Law Certificates"** means the Certificates specified in the applicable Final Terms as being governed by French law;

**"Italian Dematerialised Certificates"** means Exercisable Certificates issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli pursuant to Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions;

**"Italian Listed Certificates"** means Exercisable Certificates which are listed and admitted to trading on the electronic "Securitized Derivatives Market" (the "**SeDeX**"), organised and managed by Borsa Italiana S.p.A. or the Multilateral Trading Facility (the "**EuroTLX**"), organised and managed by EuroTLX Sim S.p.A., as the case may be;

**"Observation Date"** means:

- (a) in the case of Certificates other than Open End Certificates, each date specified as an Observation Date in the applicable Final Terms or if any such date is not a Scheduled Trading Day (in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities, Fund Securities or Futures Securities) or Commodity Business Day (in the case of Commodity Securities), the immediately following Scheduled Trading Day or Commodity Business Day, as applicable. The provisions contained in the definition of "Averaging Date" shall apply if any such day is a Disrupted Day or, in the case of Commodity Securities, a day on which a Market Disruption Event has occurred or is continuing, *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date" unless Observation Day Disruption Consequences is specified as not applicable in the applicable Final Terms, in which case such date will be an Observation Date notwithstanding the occurrence of a Disrupted Day and (i) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities, Fund Securities or Futures Securities, the provisions of (a)(i)(B) or (a)(ii)(ii), as applicable, of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on such Observation Date as if such Observation Date were a Valuation Date that was a Disrupted Day or (ii) in the case of Commodity Securities the provisions of Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) will apply; and
- (b) in the case of Open End Certificates, the date designated as such by the Issuer in its sole and absolute discretion, provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 10 at the latest on the tenth (10th) Business Day preceding the contemplated Observation Date;

**"Observation Period"** means the period specified as the Observation Period in the applicable Final Terms;

**"Open End Certificate"** means a Certificate in respect of which "Open End" is specified as applicable in the relevant Final Terms and which may be redeemed on a date determined by the Issuer in its sole and absolute discretion, subject to the other provisions of these Terms and Conditions;

**"Reference Banks"** means the five major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the relevant rate (which, if EURIBOR is the relevant rate, shall be the euro-zone);

**"Swedish Dematerialised Certificates"** means Certificates in registered, uncertificated and dematerialised book-entry form in accordance with the SFIA Act accepted by Euroclear Sweden for clearing and registration in the Euroclear Sweden System;

**"Swiss Dematerialised Certificates"** means Certificates in uncertificated and dematerialised form which are entered into the main register (*Hauptregister*) of SIX SIS Ltd or any other intermediary in Switzerland recognised for such purposes by SIX Swiss Exchange Ltd (SIX SIS Ltd or any other such intermediary, the **"Intermediary"**) and entered into the accounts of one or more participants of the Intermediary.

**"Swiss Materialised Certificates"** means Certificates represented by a permanent global certificate which will be deposited by the Swiss Security Agent with SIX SIS Ltd or any other intermediary in

Switzerland recognised for such purposes by SIX Swiss Exchange Ltd (SIX SIS Ltd or any other intermediary, the "**Intermediary**") and entered into the accounts of one or more participants of the Intermediary.

"**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date or another Observation Date does not or is deemed not to occur;

"**Valuation Date**" means:

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities or Futures Securities, unless otherwise specified in the applicable Final Terms, the Interest Valuation Date and/or the Redemption Valuation Date (subject to paragraph (b) below in respect of Open End Certificates), as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:
  - (i) where the Certificates are Index Securities relating to a single Index, Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Debt Securities relating to a single Debt Instrument or Futures Securities relating to a single Future, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the relevant value, level or price:
    - (A) in the case of Index Securities, by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
    - (B) in the case of Share Securities, ETI Securities, Debt Securities, or Futures Securities, in accordance with its good faith estimate of the relevant value, level or price as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
  - (ii) where the Certificates are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket comprised of ETI Interests, Debt Securities relating to a Basket of Debt Instruments or Futures Securities relating to a basket of Futures, the Valuation Date for each Index, Share, ETI Interest, Debt Instrument or Future, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date,

and the Valuation Date for each Index, Share, ETI Interest, Debt Instrument or Future affected, as the case may be, (each an "**Affected Item**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the relevant value, level or price using, in relation to the Affected Item, the level or value as applicable, determined using:

- (A) in the case of an Index, the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
  - (B) in the case of a Share, ETI Interest, Debt Security or Future, its good faith estimate of the value for the Affected Item as of the Valuation Time on that last such consecutive Scheduled Trading Day,
- (b) in the case of Open End Certificates and for the purposes of the "Provisions relating to Valuation on Redemption" set out in the applicable Final Terms, the date designated as the Redemption Valuation Date by the Issuer in its sole and absolute discretion, provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 13 at the latest on the tenth (10th) Business Day preceding the contemplated Redemption Valuation Date; and
- (c) in the case of Commodity Securities, the Final Pricing Date,
- and otherwise in accordance with the above provisions; and

**"Valuation Time"** means:

- (a) the Interest Valuation Time or the Valuation Time, as the case may be, specified in the applicable Final Terms; or
- (b) (i) in the case of Index Securities relating to a Composite Index, unless otherwise specified in the applicable Final Terms, (A) for the purposes of determining whether a Market Disruption Event has occurred: (x) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (y) in respect of any options contracts or futures contracts on such Index, the close of trading on the Related Exchange; and (B) in all other circumstances, the time at which the official closing level of such Index is calculated and published by the Index Sponsor; or

- (ii) in the case of Index Securities relating to Indices other than Composite Indices, Share Securities or ETI Securities unless otherwise specified in the applicable Final Terms, the Scheduled Closing Time on the relevant Exchange on the relevant Strike Date, Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Index, Share or ETI Interest to be valued, provided that if the relevant Exchange closes prior to its Scheduled Closing Time and the specified Interest Valuation Time or Valuation Time, as the case may be, is after the actual closing time for its regular trading session, then the Interest Valuation Time or the Valuation Time, as the case may be, shall be such actual closing time.

## 29. FORM OF CERTIFICATES

English Law Certificates (other than Swedish Dematerialised Certificates, Finnish Dematerialised Certificates, Italian Dematerialised Certificates and Swiss Dematerialised Certificates) are represented by (i) a permanent global certificate ("**Permanent Global Certificate**"), (ii) a Rule 144A Global Certificate (as defined below), (iii) a Regulation S Global Certificate (as defined below), (iv) Private Placement Definitive Certificates (as defined below) or (v) certificates in registered form ("**Registered Certificates**"), as specified in the applicable Final Terms. Except as provided herein, no Certificates in definitive form will be issued.

English Law Certificates that are Swedish Dematerialised Certificates will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Swedish Financial Instruments Accounts Act 1998 (*Sw.: Lag (1998:1479) om kontoföring av finansiella instrument*) (the "**SFIA Act**"). Swedish Dematerialised Certificates will not be issued in definitive form.

English Law Certificates that are Finnish Dematerialised Certificates will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) and with the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)). Finnish Dematerialised Certificates will not be issued in definitive form.

English Law Certificates that are Italian Dematerialised Certificates will be issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli S.p.A. ("**Monte Titoli**") pursuant to Italian legislative decree no. 58/1998, as amended and implemented and subsequent implementing provisions. Italian Dematerialised Certificates will not be issued in definitive form.

English Law Certificates that are Swiss Materialised Certificates will be represented by a permanent global certificate which will be deposited by the Swiss Security Agent with the Intermediary. Upon the permanent global certificate being deposited with the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Swiss Materialised Certificates will constitute intermediated securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

English Law Certificates that are Swiss Dematerialised Certificates will be issued in uncertificated and dematerialised form and will be entered into the main register (*Hauptregister*) of the Intermediary. Upon being registered in the main register (*Hauptregister*) of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Swiss Dematerialised Certificates will constitute intermediated securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*). Swiss Dematerialised Certificates will not be issued in definitive form.

The terms and conditions of the Swiss Securities will be set forth in the applicable Final Terms.

In the event that the applicable Final Terms specify that Certificates are eligible for sale in the United States ("**U.S. Certificates**") (such eligibility to be pursuant to an exemption from the registration requirements of the Securities Act of 1933, as amended (the "**Securities Act**")), (A) the Certificates sold in the United States to qualified institutional buyers ("**QIBs**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Rule 144A Certificates**") will be represented by one or more Rule 144A global certificates (each, a "**Rule 144A Global Certificate**"), (B) the Certificates sold in the United States to certain accredited investors ("**AIs**") (as defined in Rule 501(a) under the Securities Act) will be constituted by private placement definitive certificates (the "**Private Placement Definitive Certificates**"), (C) the Certificates sold in the United States by BNPP B.V. to QIBs who are QPs will be represented by a Rule 144A Global Certificate or in the form of Private Placement Definitive Certificates as may be indicated in any applicable U.S. wrapper to the Base Prospectus and (D) in any such case, the Certificates sold outside the United States to non-U.S. persons in reliance on Regulation S ("**Regulation S**") under the Securities Act will be represented by one or more Regulation S global certificates (each, a "**Regulation S Global Certificate**"). References herein to a "**Clearing System Global Certificate**" means, as the context so requires, a Rule 144A Global Certificate, a Regulation S Global Certificate or the Permanent Global Certificate, representing the Certificates and Certificates represented by a Clearing System Global Certificate are referred to herein as "**Clearing System Certificates**".

In the event that the Final Terms does not specify that Certificates are eligible for sale in the United States or to U.S. persons, the Certificates offered and sold outside the United States to non-U.S. persons in reliance on Regulation S will be represented by a Regulation S Global Certificate or a Permanent Global Certificate or will be Registered Certificates, as the case may be.

In the event that the Certificates are constituted by a Clearing System Global Certificate other than a Rule 144A Global Certificate, the Clearing System Global Certificate will be deposited with (i) a depositary (the "**Common Depositary**") common to Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear Bank S.A./N.V. ("**Euroclear**") and/or any other relevant Clearing System, (ii) in the case of English Law Certificates held through Euroclear France, with Euroclear France, or (iii) in the case of Certificates to be issued and cleared through Monte Titoli, other than Italian Dematerialised Certificates, Monte Titoli, in each case in accordance with the rules and regulations of the relevant Clearing System(s). If the Clearing System specified in the Final Terms is Iberclear, the term Common Depositary and/or Custodian shall be deemed to refer to the foreign custodian (*Entidad Custodia*) or Iberclear Participant (*Entidad Miembro de Iberclear*), as the case may be, appointed in accordance with the rules and regulations of Iberclear. Certificates represented by a Rule 144A Global Certificate will be either (i) deposited with a custodian (a "**Custodian**") for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**"), or (ii) issued and deposited with the Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System.

Registered Certificates will be offered and sold in reliance on Regulation S and will be sold to non-U.S. persons outside the United States. Registered Certificates will initially be represented by a global certificate in registered form (a "**Registered Global Certificate**"). The Registered Global Certificate will be deposited with a common depositary for, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg and/or any other relevant Clearing System.

Interests in a Registered Global Certificate will be exchangeable (free of charge), in whole but not in part, for definitive Registered Certificates only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that the Issuer has been notified that Euroclear and Clearstream,

Luxembourg or any other relevant Clearing System, as the case may be, have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available. The Issuer will promptly give notice to Holders in accordance with Condition 10 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg or any other relevant Clearing System, as the case may be, (acting on the instructions of any holder of an interest in such Registered Global Certificate) may give notice to the Registrar requesting exchange. Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the Registrar.

Interests in a Rule 144A Global Certificate and a Regulation S Global Certificate may be exchanged for interests in the other Global Certificates and for Private Placement Definitive Certificates and Private Placement Definitive Certificates may be exchanged for an interest in a Rule 144A Global Certificate or Regulation S Global Certificate only as described herein. Interests in a Clearing System Global Certificate or a Private Placement Definitive Certificate may not be exchanged for interests in a Registered Certificate and interests in a Registered Certificate may not be exchanged for interests in a Clearing System Global Certificate or a Private Placement Definitive Certificate.

Each of the Clearing System Global Certificate and the Registered Global Certificate is referred to in these Terms and Conditions as a "**Global Certificate**". The applicable Final Terms (or the relevant provisions thereof) will be attached to such Global Certificate.

In the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, if DTC notifies BNPP that it is unwilling or unable to continue as a depositary for that Global Certificate or if at any time DTC ceases to be a "clearing agency" registered under the Exchange Act as amended, and a successor depositary is not appointed by BNPP within 90 days of such notice, BNPP will deliver Certificates in definitive registered form (bearing such legends as may be required by BNPP) in exchange for that Rule 144A Global Certificate. Except in these circumstances, owners of beneficial interests in a Rule 144A Global Certificate held by a Custodian on behalf of DTC will not be entitled to have any portion of such Certificates registered in their name and will not receive or be entitled to receive physical delivery of registered Certificates in definitive form in exchange for their interests in that Rule 144A Global Certificate. Transfer, exercise, settlement and other mechanics related to any Certificates issued in definitive form in exchange for Certificates represented by such Rule 144A Global Certificate shall be as agreed between BNPP and the New York Security Agent.

French Law Certificates are issued in dematerialised form (*au porteur*) (such Certificates hereinafter also referred to as "**Clearing System Certificates**"). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code Monétaire et Financier*) will be issued in respect of French Law Certificates.

### **30. TYPE (CERTIFICATES)**

The applicable Final Terms will indicate whether settlement shall be by way of cash payment ("**Cash Settled Certificates**") or physical delivery ("**Physical Delivery Certificates**"), whether Cash Settled Certificates are redeemable in instalments and whether Averaging ("**Averaging**") will apply to the Certificates. If so specified in the applicable Final Terms, interest shall be payable in respect of the Certificates.

If the Certificates are Swedish Dematerialised Certificates, they will be Cash Settled Certificates.

If the Certificates are Finnish Dematerialised Certificates, they will be Cash Settled Certificates.

If the Certificates are Italian Dematerialised Certificates, they will be Cash Settled Certificates and Automatic Exercise will apply.

The applicable Final Terms will indicate if the Certificates are exercisable, if so whether Multiple Exercise applies and the relevant Exercise Date(s).

### **31. TITLE AND TRANSFER OF REGISTERED CERTIFICATES**

Subject as provided below, title to the Registered Certificates will pass upon the registration of transfers in accordance with the provisions of the Agency Agreement.

For so long as the Certificates are represented by a Registered Global Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, each person (other than Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, as the holder of a particular amount of such Certificates (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, as to the amount of Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor (if any) and the Security Agents as the holder of such amount of such Certificates for all purposes other than with respect to the payment of principal and/or interest with respect to such Certificates for which purpose the registered holder of the relevant Registered Global Certificate shall be treated by the Issuer, the Guarantor (if any) and the Security Agents as the holder of such amount of such Certificates in accordance with and subject to the terms of the relevant Registered Global Certificate (and the expressions "**Holder**" and "**holder of Certificates**" and related expressions shall be construed accordingly).

Transfers of beneficial interests in Registered Global Certificates will be effected by Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. Title will pass upon registration of the transfer in the books of Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be.

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Certificate in definitive form may be transferred in whole or in part. In order to effect any such transfer (i) the holder or holders must (a) surrender the Registered Certificate for registration of the transfer of the Registered Certificate (or the relevant part of the Registered Certificate) at the specified office of the Registrar or any Security Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (b) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Security Agent and (ii) the Registrar or, as the case may be, the relevant Security Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 15 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Security Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Security Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication



and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Registered Certificate in definitive form of a like amount to the Registered Certificate (or the relevant part of the Registered Certificate) transferred. In the case of the transfer of part only of a Registered Certificate in definitive form, a new Registered Certificate in definitive form in respect of the balance of the Registered Certificate not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

Holders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration or exchange in the jurisdiction of the Issuer or in any other jurisdiction where the Registrar's specified office is located.

Registered Certificates and interests therein may not be transferred at any time, directly or indirectly, in the United States or to or for the benefit of a U.S. person, and any such transfer shall not be recognised.

### 32. INTEREST (CERTIFICATES)

If so specified in the applicable Final Terms the Certificates will pay interest, such interest to be calculated on the basis of a fixed rate of interest ("**Fixed Rate Certificates**"), a floating rate of interest ("**Floating Rate Certificates**") or by reference to the performance of one or more Index, Share, ETI Interest, Debt Instrument, Currency, Commodity, Inflation Index, Fund Share, Futures, Underlying Interest Rate or any other underlying security or any combination thereof in the manner specified in the applicable Final Terms (such Certificates, "**Linked Interest Certificates**");

#### (a) Interest on Fixed Rate Certificates

Each Fixed Rate Certificate pays interest calculated from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will accrue in respect of each Interest Period (which expressions shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date) to (but excluding) the next (or first) Interest Period End Date (each such latter date the "**Interest Period End Final Date**" for the relevant Interest Period)). Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Redemption Date. If an Interest Payment date falls after the Interest Period End Final Date in respect of the relevant Interest Period, no additional interest or other amount shall be payable as a result of such interest being payable on such later date. If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (i) if there is no numerically corresponding day on the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (ii) if any Interest Period End Date or Interest Payment Date, as the case may be, would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (i) the Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day; or
- (ii) the Modified Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which

event such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day; or

- (iii) the Preceding Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day.

If no Business Day Convention is specified as applicable to an Interest Period End Date in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Final Date in respect of such Interest Period will amount to the Fixed Coupon Amount.

Interest shall be calculated by applying the Rate of Interest to the Notional Amount of each Certificate and if a Day Count Fraction is specified in the applicable Final Terms multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) Interest on Floating Rate Certificates and Linked Interest Certificates

(i) Interest, Interest Periods and Business Day Convention

Each Floating Rate Certificate and, subject to the provisions of Condition 32(c), each Linked Interest Certificate pays interest (or, if it is a Partly Paid Certificate, in accordance with Condition 32(e)) in respect of each Interest Period (which expression shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date to (but excluding) the next (or first) Interest Period End Date (each such latter date the "**Interest Period End Final Date**" for the relevant Interest Period)). For the purposes of this Condition 32(b), "**Interest Period End Date**" shall mean either: (A) the Interest Period End Date(s) in each year specified in the applicable Final Terms or (B) if no Interest Period End Date(s) is/are specified in the applicable Final Terms, each date which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Period End Date or, in the case of the first Interest Period End Date, after the Interest Commencement Date.

Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Redemption Date. If an Interest Payment Date falls after an Interest Period End Final Date in respect of the relevant Interest Period, no additional interest or other amount shall be payable as a result of such interest being payable on such later date.

If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (I) if there is no numerically corresponding day on the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (II) if any Interest Period End Date or Interest Payment Date, as the case may be, would

otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition (b)(i) above, the Floating Rate Convention, such Interest Period End Date or Interest Payment Date, as the case may be, (i) in the case of (I) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (II) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Period End Date or Interest Payment Date, as the case may be, shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Period End Date or Interest Payment Date, as the case may be, occurred; or
- (B) the Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day.

(ii) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest or Rate is to be determined, the Rate of Interest or Rate, as the case may be, for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (ii), "ISDA Rate" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association Inc. and as amended and updated as at the Issue Date of the Certificates (the "**ISDA Definitions**") and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and

- (C) the relevant Reset Date is either (I) if the applicable Floating Rate Option is based on the London interbank offered rate ("**LIBOR**") or on the Euro-zone inter-bank offered rate ("**EURIBOR**") for a currency, the first day of that Interest Period or (II) in any other case, as specified in the applicable Final Terms.

For the purposes of this subparagraph (ii), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

(iii) AFB Determination

Where so specified in the applicable Final Terms, interest will be payable on such dates, at such a rate (the "**AFB Rate**") and in such amounts, plus or minus (as indicated in the applicable Final Terms) the Margin (if any), as would have been payable (regardless of any event of default or termination event thereunder) by the Issuer if it had entered into an interest rate swap transaction governed by an agreement in the form of the Master Agreement relating to foreign exchange and derivatives transactions (an "**AFB Agreement**"), as in effect on the date of issue of the Certificates, published by the *Association Française des Banques/Fédération Bancaire Française* and evidenced by a Confirmation (as defined in the AFB Agreement) with the holder of the relevant Certificate under which:

- (A) the Issuer was the Floating Amount Payer;
- (B) the Principal Security Agent (as defined herein) was the Agent (as defined in the AFB Agreement) or as otherwise specified in the applicable Final Terms;
- (C) the Interest Commencement Date was the Transaction Date;
- (D) the Notional Amount in respect of a Certificate was the Notional Amount;
- (E) the Interest Payment Dates were the Floating Amount Payment Dates; and
- (F) all other terms were as specified in the applicable Final Terms.

When the preceding sentence applies, in respect of each relevant Interest Payment Date:

- I. the amount of interest determined for such Interest Payment Date will be the Interest Amount for the relevant Interest Period for the purposes of these Terms and Conditions as though determined under subparagraph (v) below;
- II. the Rate of Interest for such Interest Period will be the Floating Rate (as defined in the AFB Agreement) determined by the Principal Security Agent in accordance with the preceding sentence; and
- III. the Principal Security Agent will be deemed to have discharged its obligations under subparagraph (v) below if it has determined the Rate of Interest and the Interest Amount payable on such Interest Payment Date in the manner provided in the preceding sentence.

(iv) Screen Rate Determination

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest or Rate is to be determined, the Rate of Interest or Rate, as the case may be, for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page as at the Specified Time indicated in the applicable Final Terms (which will be 11.00 a.m., London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of subparagraph (A), no offered quotation appears or, in the case of subparagraph (B), fewer than three offered quotations appear, in each case as at the Specified Time, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Rate of Interest or Rate, as the case may be, for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest or Rate, as the case may be, for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the inter-bank market applicable to the Reference Rate (which will be the London inter-bank market, if the Reference Rate is LIBOR, or the Euro-zone inter-bank market, if the Reference Rate is EURIBOR) plus or minus (as appropriate) the

Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the offered rate for deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the inter-bank market applicable to the Reference Rate (which will be the London inter-bank market, if the Reference Rate is LIBOR, or the Euro-zone inter-bank market, if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest or Rate, as the case may be, cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest or Rate, as the case may be, shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

(v) Determination of Rate of Interest and Calculation of Interest Amount

In the case of Floating Rate Certificates and Linked Interest Certificates the Calculation Agent will, on or as soon as practicable after each date on which the Rate of Interest is to be determined (the "**Interest Determination Date**"), determine the Rate of Interest (subject to any Minimum Interest Rate or Maximum Interest Rate specified in the applicable Final Terms) for the relevant Interest Period. In the case of Floating Rate Certificates and Linked Interest Certificates, the Calculation Agent will notify the Principal Security Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Calculation Agent will calculate the amount of interest (the "**Interest Amount**") payable on each Certificate for the relevant Interest Period by applying the Rate of Interest to the Notional Amount of such Certificate and multiplying such sum by the Day Count Fraction specified in the applicable Final Terms and rounding the resultant figure to the nearest sub-unit (defined above) of the relevant Specified Currency, one half of such a sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

(vi) Minimum and/or Maximum Interest Rate

If the applicable Final Terms specifies a Minimum Interest Rate for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of subparagraphs (i), (ii), (iii) or (iv) above (as appropriate) is less than such Minimum Interest Rate, the Rate of Interest for such Interest Period shall be such Minimum Interest Rate.

If the applicable Final Terms specifies a Maximum Interest Rate for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of subparagraphs (i), (ii), (iii) or (iv)

above (as appropriate) is greater than such Maximum Interest Rate, the Rate of Interest for such Interest Period shall be such Maximum Interest Rate.

(vii) Notification of Rate of Interest and Interest Amount

The Calculation Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Principal Security Agent, the Issuer and the Guarantor (such notifications to occur no later than the Business Day following such determination), and (in the case of Certificates which are listed on Euronext Paris and the rules of such stock exchange so require) Euronext Paris and, if applicable, to any other stock exchange on which the relevant Certificates are for the time being listed. In addition, the Calculation Agent shall publish or cause to be published such Rate of Interest, Interest Amount and Interest Payment Date in accordance with Condition 10 as soon as possible after their determination but in no event later than the fourth Paris Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Certificates are for the time being listed and to the Holders in accordance with Condition 10. For the purposes of the Terms and Conditions, the expression "**Paris Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for business in Paris. The determination of each Interest Rate and Interest Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(c) Day Count Fractions

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Calculation Period if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:

- (i) in the case of Certificates where the number of days in the relevant period from (and including) the most recent Interest Period End Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
- (ii) in the case of Certificates where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
  - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (a) the number of days in such Determination Period and (b) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and

- (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (a) the number of days in such Determination Period and (b) the number of Determination Dates that would occur in one calendar year;

**"Determination Date(s)"** means the date(s) specified in the applicable Final Terms;

**"Determination Period"** means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the Interest Period End Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

- (i) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;
- (iii) if "Actual/365 (sterling)" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 or, in the case of a Calculation Period ending in a leap year, 366;
- (iv) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;
- (v) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and



"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (vi) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30;

- (vii) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless (A) that day is the last day of February or (B) such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (A) that day is the last day of February but not the redemption date or (B) such number would be 31, in which case D<sub>2</sub> will be 30.

Notwithstanding the foregoing, where the applicable Final Terms specifies that the relevant Day Count Fraction is "unadjusted", the Calculation Period and the Interest Amount payable on any date shall not, unless otherwise provided in the application Final Terms, be affected by the application of any Business Day Convention.

(d) Interest on Linked Interest Certificates

In the case of Linked Interest Certificates the Rate of Interest shall be determined in the manner specified in the applicable Final Terms.

(e) Interest on Partly Paid Certificates

In the case of Partly Paid Certificates interest will accrue as aforesaid on the paid-up amount of such Certificates.

(f) Accrual of Interest

Each Certificate (or in the case of the redemption of part only of a Certificate, that part only of such Certificate) will cease to bear interest (if any) from the date for its redemption or exercise, as the case may be, unless such Certificate is redeemed early. If such Certificate is redeemed early, (i) if the applicable Final Terms specify that Accrual to Redemption is applicable, interest will cease to accrue on the due date for redemption or (ii) if the applicable Final Terms specify that Accrual to Redemption is not applicable, no interest shall accrue or be payable in respect of which the relevant payment date has not occurred on or prior to the due date for redemption of such Certificate, unless in either case payment of principal and/or delivery of all assets deliverable is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Certificate have been paid and/or all assets deliverable in respect of such Certificate have been delivered; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Certificate has been received by the Principal Security Agent and/or all assets in respect of such Certificate have been received by any agent appointed by the Issuer to deliver such assets to Holders and notice to that effect has been given to the Holders in accordance with Condition 10.

(g) Coupon Switch

If Coupon Switch is specified as applicable in the applicable Final Terms (i) if Coupon Switch Election is specified as applicable in the applicable Final Terms, the Issuer may in its sole and absolute discretion elect that or (ii) if Automatic Coupon Switch is specified as applicable in the applicable Final Terms and an Automatic Coupon Switch Event occurs, the Interest Rate or Premium Amount Rate, as applicable, in respect of the Certificates will be amended

(including any relevant Underlying Reference(s), as applicable) (a "**Coupon Switch**") from the rate specified in the Final Terms to the Switched Coupon specified in the applicable Final Terms on and after the Coupon Switch Date specified in the applicable Final Terms. Notice of any Coupon Switch will be given to Holders in accordance with Condition 10.

"**Automatic Coupon Switch Event**" means that the SPS ACS Value is (a) "greater than", (b) "equal to or greater than", (c) "less than" (d) "less than or equal to", as specified in the applicable Final Terms, the Automatic Coupon Switch Level, (x) on a SPS ACS Valuation Date or (y) in respect of a SPS ACS Valuation Period, as specified in the applicable Final Terms;

"**Automatic Coupon Switch Level**" means the number, amount, level or percentage specified as such in the applicable Final Terms;

"**SPS ACS Value**" means the value from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**SPS ACS Valuation Date**" means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

"**SPS ACS Valuation Period**" means each period specific as such in the applicable Final Terms.

### **33. PREMIUM AMOUNT (CERTIFICATES)**

33.1 If so specified in the applicable Final Terms the Certificates will not bear or pay interest but will pay one or more premium amounts, each such premium amount representing an amount payable by the Issuer as compensation for, and in recognition of, the assumption of the risk that in certain circumstances the Cash Settlement Amount payable on redemption of the Certificates may be less than the Issue Price or even zero.

33.2 A premium amount may be a fixed amount, a variable amount and/or an amount calculated by reference to the performance of one or more Index, Share, ETI Interest, Debt Instrument, Currency, Commodity, Inflation Index, Fund Share, Future or any other underlying security or any combination thereof in the manner specified in the applicable Final Terms (such Certificates, "**Linked Premium Amount Certificates**").

33.3 Each W&C Security will pay the Premium Amount on each Premium Amount Payment Date, provided that, if Automatic Early Redemption is specified as applicable in the applicable Final Terms, no Automatic Early Redemption Event has occurred on or prior to such Premium Amount Payment Date. If an Automatic Early Redemption Event has occurred, no Premium Amount will be paid on Premium Amount Payment Date.

33.4 The Premium Amount shall be paid as provided in Condition 35.1 (*Payments*).

33.5 Definitions relating to Premium Amount(s):

"**Premium Amount**" means, in respect of a Premium Amount Payment Date, an amount specified or calculated by the Calculation Agent on the basis set out, in the applicable Final Terms;

"**Premium Amount Payment Date**" means each date specified as such in the applicable Final Terms; and

**"Premium Amount Period"** means the period from (and including) the Issue Date to (but excluding) the first Premium Amount Payment Date and each following period from (and including) a Premium Amount Payment Date to (but excluding) the next occurring Premium Amount Payment Date.

- 33.6 The Calculation Agent will cause each Premium Amount for each Premium Amount Payment Date to be notified to the Principal Security Agent, the Issuer and the Guarantor, if any, (such notifications to occur no later than the Business Day following such determination), and (in the case of Certificates which are listed on Euronext Paris and the rules of such stock exchange so require) Euronext Paris and, if applicable, to any other stock exchange on which the relevant Certificates are for the time being listed. In addition, the Calculation Agent shall publish or cause to be published such Premium Amount in accordance with Condition 10 as soon as possible after their determination but in no event later than the fourth Paris Business Day thereafter.

#### **34. REDEMPTION (CERTIFICATES)**

##### **34.1 General**

Unless the Certificates are Exercisable Certificates, subject as provided in these Terms and Conditions and each Certificate (other than a Credit Certificate) will be redeemed by the Issuer:

- (a) in the case of a Cash Settled Certificate, by payment of the Cash Settlement Amount; or
- (b) in the case of a Physical Delivery Certificate, subject as provided in Condition 5 and Condition 35, by delivery of the Entitlement,

such redemption to occur in either case, subject as provided below, on the date falling on the fifth Business Day following the Valuation Date, unless specified otherwise in the applicable Final Terms (the **"Redemption Date"**). If (i) the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any further payment in respect of such delay or (ii) the date for delivery of any Entitlement in respect of the Certificates is not a Settlement Business Day (as defined in Condition 5.1 above), the Holder thereof shall not be entitled to delivery of the Entitlement until the next following Settlement Business Day.

The Certificates may also be subject to automatic early redemption upon the occurrence of an Automatic Early Redemption Event, as defined in and in accordance with the provisions of Condition 34.9 if specified in the applicable Final Terms

##### **34.2 Credit Certificates**

Subject as provided in these Terms and Conditions and as specified in the applicable Final Terms, each Credit Certificate will be redeemed by the Issuer by payment of the Cash Settlement Amount such redemption to occur on the Redemption Date specified in the applicable Final Terms subject as provided in Annex 12 (Additional Terms and Conditions for Credit Securities). If the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any payment in respect of such delay.

##### **34.3 Issuer Call Option**

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may, having given:

- (a) except in the case of Certificates represented by Private Placement Definitive Certificates and Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, not less than the minimum notice period nor more than the maximum notice period specified in the applicable Final Terms (the "**Notice Period**") notice to the Holders in accordance with Condition 10 and, in the case of Certificates represented by Private Placement Definitive Certificates and Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, not less than 30 nor more than 45 days' notice to the Holders in accordance with Condition 10; and
- (b) not less than 15 days (or such Notice Period specified in the applicable Final Terms) before the giving of the notice referred to in (i), notice to the relevant Security Agent,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Certificates then outstanding at the Optional Redemption Amount on the Option Redemption Date specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date.

The "**Optional Redemption Amount**" in respect of each Certificate shall be an amount calculated by the Calculation Agent equal to:

- (i) Calculation Amount x the percentage or (ii) the Call Payout as specified in the applicable Final Terms,

Provided That if the product of the Call Payout is zero, no amount shall be payable on redemption of such Certificate.

In the case of a partial redemption, the rights of Holders of Certificates represented by a Global Certificate, or Holders of Italian Dematerialised Certificates or Swedish Dematerialised Certificates or Finnish Dematerialised Securities will, be governed by the standard procedures of Euroclear, Clearstream Luxembourg, Euroclear France, Euroclear Netherlands, DTC, Monte Titoli, Euroclear Sweden, Euroclear Finland, as applicable, or any relevant Clearing System (as the case may be). With respect to Certificates represented by Private Placement Definitive Certificates, the Definitive Security Agent will select the Certificates to be redeemed individually by lot, not more than 45 days prior to the date fixed for redemption, and give notice to Holders, in accordance with Condition 10, of the serial numbers of the Certificates to be redeemed not less than 15 days prior to the date fixed for redemption. Private Placement Definitive Certificates may only be redeemed in minimum amounts of U.S.\$250,000 or more, and the remaining unredeemed portion thereof must be at least U.S.\$250,000. So long as the Certificates are listed on the official list of Euronext Paris ("**Euronext Paris**") and admitted to trading on the regulated market of Euronext Paris and the rules of that stock exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Certificates, cause to be published on the website of Euronext Paris ([www.euronext.com](http://www.euronext.com)) a notice specifying the aggregate nominal amount of Certificates outstanding.

#### 34.4 Holder Put Option

If Holder Put Option is specified in the applicable Final Terms, upon the Holder of any Certificate giving to the Issuer not less than the minimum notice period nor more than the maximum notice period notice specified in the applicable Final Terms (the "**Notice Period**") the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Certificate at the Optional Redemption Amount on the relevant

Optional Redemption Date together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

The "**Optional Redemption Amount**" in respect of each Certificate shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Put Payout, as specified in the applicable Final Terms,

Provided That if the product of the Put Payout is zero, no amount shall be payable on redemption of such Certificate.

If the Certificate is held outside DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must deliver at the specified office of any Security Agent or the Registrar at any time during normal business hours of such Registrar or Security Agent falling within the Notice Period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Security Agent (a "**Put Notice**") and in which the Holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 34.4, accompanied by the Certificate or evidence satisfactory to the Security Agent concerned that the Certificate will, following delivery of the Put Notice, be held to its order or under its control in a manner reasonably satisfactory to the Security Agent concerned. If the Certificate is held through DTC, Euroclear or Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must, within the Notice Period, give notice to the Security Agent concerned of such exercise in accordance with the standard procedures of DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System (which may include notice being given on his instruction by DTC, Euroclear or Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System or any common depositary for them to the Security Agent by electronic means) in a form acceptable to DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System from time to time. In the case of Finnish Dematerialised Certificates, in order to exercise this option the Holder must transfer or procure the transfer of the relevant Certificates to the account designed by the Finnish Security Agent and procure that such account is blocked for further transfer on or prior to the Optional Redemption Date. Any Put Notice given by a Holder of any Certificate pursuant to this Condition 34.4 shall be irrevocable.

#### 34.5 Redemption in Instalments

If the applicable Final Terms specify that the Certificates are Instalment Certificates, each Certificate will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms.

#### 34.6 Redemption of Partly Paid Certificates

Partly Paid Certificates will be redeemed in accordance with the provisions set out in the applicable Final Terms.

#### 34.7 Exercise of Certificates

If the Certificates are Cash Settled Certificates and Exercise of Certificates is specified as applicable in the applicable Final Terms, the Certificates (such Certificates "**Exercisable Certificates**") will be automatically exercised on the Exercise Date, or, if Multiple Exercise is specified as applicable in the applicable Final Terms, each Exercise Date subject as provided in the following paragraph and, in the case of Credit Certificates, to the provisions of Annex 12 (Additional Terms and Conditions for Credit Securities). Upon automatic exercise each Certificate entitles its Holder to receive from the Issuer the Cash Settlement Amount on the Exercise Settlement Date or, if Multiple Exercise is specified as applicable in the applicable Final Terms, the relevant Exercise Settlement Date.

If the Certificates are Italian Listed Certificates, prior to the Renouncement Notice Cut-off Time, as specified in the applicable Final Terms, on an Exercise Date, the Holder of a Certificate may renounce automatic exercise of such Certificate by the delivery or sending by fax of a duly completed Renouncement Notice (a "**Renouncement Notice**") in the form set out in the applicable Final Terms to the Italian Security Agent. Once delivered a Renouncement Notice shall be irrevocable. Any determination as to whether a Renouncement Notice is duly completed and in proper form shall be made by the Italian Security Agent (in consultation with Monte Titoli) and shall be conclusive and binding on the Issuer, the Guarantor, if applicable, the Security Agents and the relevant Holder. Subject as set out below, any Renouncement Notice so determined to be incomplete or not in proper form shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the Italian Security Agent, it shall be deemed to be a new Renouncement Notice submitted at the time such correction was delivered to the Italian Security Agent.

#### 34.8 Open End Certificates

If "Open End" is specified as applicable in the relevant Final Terms, the Redemption Date of such Open End Certificates will, notwithstanding any provision to the contrary, be the date falling (5) five Business Days after the relevant Averaging Date, Observation Date, Strike Date or, as applicable, Valuation Date determined by the Issuer in its sole discretion, provided that the relevant Averaging Date, Observation Date, Strike Date or Valuation Date so-determined by the Issuer is notified to the Holders at the latest ten (10) Business Days prior to the contemplated date in accordance with Condition 10.

If a Certificate is an Open End Certificate, "Knock-in Event" and "Knock-out Event" may not be specified as applicable in the relevant Final Terms in respect of such Certificate.

#### 34.9 Automatic Early Redemption (Certificates)

This Condition 34.9 applies to Index Securities, Share Securities, ETI Securities, Currency Securities, Commodity Securities and Futures Securities only.

- (a) If "Automatic Early Redemption" is specified as applicable in the applicable Final Terms, then unless previously redeemed or purchased and cancelled, if on (i) any Automatic Early Redemption Valuation Date or (ii) in respect of an Automatic Early Redemption Valuation Period, as specified in the applicable Final Terms, an Automatic Early Redemption Event occurs, then the Certificates will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date and the amount (if any) payable by the Issuer on such date upon redemption of each Certificate shall be equal to the relevant Automatic Early Redemption Amount.
- (b) Definitions relating to Automatic Early Redemption

"**AER Knock-out**" means the occurrence (such date of occurrence **AER Knock-out Date**) of a Knock-out Event and/or a Knock-in Event as specified in the applicable Final Terms;

"**Automatic Early Redemption Amount**" means an amount in the Settlement Currency equal to the Automatic Early Redemption Payout set out in the applicable Final Terms or, if not set out, an amount equal to the product of (i) the Notional Amount in respect of such Certificate and (ii) the relevant AER Rate relating to that Automatic Early Redemption Date provided that if the product of the Automatic Early Redemption Payout is zero, no amount shall be payable on redemption of the Certificate pursuant to this Condition;

"**Automatic Early Redemption Date**" means (i) if Target Automatic Early Redemption, FI Underlying Automatic Early Redemption or FI Coupon Automatic Early Redemption is specified as applicable in the applicable Final Terms, the Interest Payment Date immediately following the Automatic Early Redemption Valuation Date on which an Automatic Early Redemption Event occurs, or, otherwise, (ii) each date specified as such in the applicable Final Terms, or if such date is not a Business Day, the next following Business Day, and no Holder shall be entitled to any interest or further payment in respect of such delay;

"**Automatic Early Redemption Event**" means:

- (a) if Target Automatic Early Redemption is specified as applicable in the applicable Final Terms, that the Cumulative Coupon is equal to or greater than the Automatic Early Redemption Percentage;
- (b) if FI Underlying Automatic Early Redemption is specified as applicable in the applicable Final Terms, that the Underlying Reference Level is (i) equal to or greater than the Automatic Early Redemption Percentage Down and (ii) less than or equal to the Automatic Early Redemption Percentage Up;
- (c) if FI Coupon Automatic Early Redemption is specified as applicable in the applicable Final Terms, that the product of (i) the Rate of Interest and (ii) the Day Count Fraction, in each case in respect of the Current Interest Period is equal to or greater than the Automatic Early Redemption Percentage; or
- (d) if Standard Automatic Early Redemption is specified as applicable in the applicable Final Terms, that (i) if SPS AER Valuation is specified as applicable in the applicable Final Terms, the SPS AER Value is, or (ii) if SPS AER Valuation is specified as not applicable in the applicable Final Terms (A) in the case of a single Underlying Reference, the Underlying Reference Level or (B) in the case of a Basket of Underlying References, the Basket Price is, (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Automatic Early Redemption Level as specified in the applicable Final Terms; or
- (e) if AER Knock-out is specified in the applicable Final Terms, an AER Knock-out occurs;

"**Automatic Early Redemption Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Automatic Early Redemption Percentage Down**" means the percentage specified as such in the applicable Final Terms;



**"Automatic Early Redemption Percentage Up"** means the percentage specified as such in the applicable Final Terms;

**"Automatic Early Redemption Level"** means the level, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

**"Automatic Early Redemption Valuation Date"** means (i) the AER Knock-out Date or (ii) each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities or ETI Securities, a Custom Index Business Day (in respect of Custom Index Securities), a Commodity Business Day (in respect of Commodity Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Securities), as applicable, the next following Scheduled Trading Day, Custom Index Business Day, Commodity Business Day, Fund Business Day or Business Day, as applicable, unless, in the case of Index Securities, Share Securities, Commodity Securities or ETI Securities, in the opinion of the Calculation Agent, any such day is a Disrupted Day (in the case of Index Securities (other than Custom Index Securities), Share Securities or ETI Securities, a Custom Index Disruption Event is occurring on such day (in respect of Custom Index Securities) or a Market Disruption Event is occurring on such day (in respect of Commodity Securities). If any such day is a Disrupted Day, a day on which a Custom Index Disruption Event is occurring or (except in the case of Commodity Securities) a day on which a Market Disruption Event is occurring, as applicable, then the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Automatic Early Redemption Valuation Date" or (in the case of Commodity Securities) if any such day is a day on which a Market Disruption Event is occurring, then the provisions of "Pricing Date" shall apply *mutatis mutandis* as if references in such provision to "Pricing Date" were to "Automatic Early Redemption Valuation Date";

**"Automatic Early Redemption Valuation Period"** means the period specified as such in the applicable Final Terms;

**"Automatic Early Redemption Valuation Time"** means the time specified as such in the applicable Final Terms;

**"Basket of Underlying References"** means, for the purposes of this Condition 34.9, the Basket of Indices, Basket of Shares, ETI Basket, Basket of Commodities, Basket of Commodity Indices, Basket of Futures or other basis of reference to which the value of the relevant W&C Securities may relate, as specified in the applicable Final Terms;

**"Basket Price"** means, in respect of any Automatic Early Redemption Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each Underlying Reference as the product of (a) the Underlying Reference Level of such Underlying Reference on such Automatic Early Redemption Valuation Date and (b) the relevant Weighting;

**"Cumulative Coupon"** means, in respect of an Automatic Early Redemption Valuation Date, (a) the sum of the values calculated for each Interest Period preceding the Current Interest Period as the product of (i) the Rate of Interest and (ii) the Day Count Fraction, in each case for such Interest Period plus (b) the product of (i) the Rate of Interest and (ii) the Day Count Fraction, in each case for the Current Interest Period;

**"Current Interest Period"** means, in respect of an Automatic Early Redemption Valuation Date, the Interest Period during which such Automatic Early Redemption Valuation Date falls;

**"Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Relevant Adjustment Provisions"** means:

- (a) in the case of Index Securities, Index Security Condition 2 (Market Disruption) and Index Security Condition 3 (Adjustments to an Index);
- (b) in the case of Custom Index Securities, Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);
- (c) in the case of Share Securities, Share Security Condition 2 (Market Disruption), Share Security Condition 3 (Potential Adjustment Events) and Share Security Condition 4 (Extraordinary Events);
- (d) in the case of ETI Securities, ETI Security Condition 2 (Market Disruption) and ETI Security Condition 3 (Potential Adjustment Events);
- (e) in the case of Commodity Securities, Commodity Security Condition 2 (Market Disruption), Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) and Commodity Security Condition 4 (Adjustments to a Commodity Index);
- (f) in the case of Currency Securities, Currency Security Condition 3 (Consequences of a Disruption Event); and
- (g) in the case of Futures Securities, Futures Security Condition 3 (Adjustments to a Future);

**"SPS AER Value"** means the value from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"Underlying Reference"** means, for the purposes of this Condition 34.9 each Index, Custom Index, Share, ETI Interest, Commodity, Commodity Index, Subject Currency, Future, Fund, Underlying Interest Rate or other basis of reference to which the relevant W&C Securities relate; and

**"Underlying Reference Level"** means, in respect of any Automatic Early Redemption Valuation Date, (i) "official level", "official close", "last price", "bid price" or "asked price" of the Underlying Reference, as specified in the applicable Final Terms published by the Observation Price Source or (ii) if Standard Price is specified as applicable in the applicable Final Terms (a) in the case of Share Securities, ETI Securities and Futures Securities, the price of the relevant Underlying Reference, (b) in the case of Index Securities and Custom Index Securities, the level of the relevant Underlying Reference, (c) in the case of Commodity Securities, the Relevant Price, or (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), or (e) in the case of an Inflation Index, the Relevant Level, or (f) in the case of an Underlying Interest Rate, the Underlying Reference Rate, in each case, as

determined by the Calculation Agent as of the Automatic Early Redemption Valuation Time on such Automatic Early Redemption Valuation Date or, in the case of the "official close" level, at such time on such Automatic Early Redemption Valuation Date as the "official close" level is published by the Observation Price Source.

(c) Accrual

Notwithstanding Condition 32, if FI Underlying Automatic Early Redemption and Accrual to Automatic Early Redemption are specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs on an Automatic Early Redemption Valuation Date, interest will cease to accrue on such Automatic Early Redemption Valuation Date.

(d) AER Rate Determination

Where the applicable Final Terms specify that the AER Rate is determined by reference to a Screen Rate the AER Rate will, subject as provided below, be either:

- (i) the offered quotation; or
- (ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the AER Reference Rate(s) which appears or appear, as the case may be, on the AER Screen Page as at the AER Specified Time indicated in the applicable Final Terms (which will be 11.00 a.m., London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the AER Reference Rate Determination Date in question plus or minus (as indicated in the applicable Final Terms) the AER Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the AER Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the AER Screen Page is not available or if, in the case of subparagraph (i), no offered quotation appears or, in the case of subparagraph (ii), fewer than three offered quotations appear, in each case as at the AER Specified Time, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the AER Reference Rate at approximately the AER Specified Time on the AER Reference Rate Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the AER Rate shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the AER Margin (if any), all as determined by the Calculation Agent.

If on any AER Reference Rate Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the AER Rate shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the AER Specified Time on the relevant AER Reference Rate

Determination Date, deposits in the Settlement Currency for a period equal to that which would have been used for the AER Reference Rate by leading banks in the inter-bank market applicable to the AER Reference Rate (which will be the London inter-bank market, if the AER Reference Rate is LIBOR, or the Euro-zone inter-bank market, if the AER Reference Rate is EURIBOR) plus or minus (as appropriate) the AER Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the offered rate for deposits in the Settlement Currency for a period equal to that which would have been used for the AER Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Settlement Currency for a period equal to that which would have been used for the AER Reference Rate, at which, at approximately the AER Specified Time on the relevant AER Reference Rate Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the inter-bank market applicable to the AER Reference Rate (which will be the London inter-bank market, if the AER Reference Rate is LIBOR, or the Euro-zone inter-bank market, if the AER Reference Rate is EURIBOR) plus or minus (as appropriate) the AER Margin (if any).

If the applicable Final Terms specifies a Minimum AER Reference Rate then, in the event that the AER Reference Rate determined in accordance with the above provisions is less than such Minimum AER Reference Rate, the AER Rate shall be such Minimum AER Reference Rate.

If the applicable Final Terms specifies a Maximum AER Reference Rate then, in the event that the AER Reference Rate determined in accordance with the above provisions is greater than such Maximum AER Reference Rate, the AER Rate shall be such Maximum AER Reference Rate.

#### 34.10 Payout Switch

If Payout Switch is specified as applicable in the applicable Final Terms (i) if Payout Switch Election is specified as applicable in the applicable Final Terms, the Issuer may in its sole and absolute discretion elect that or (ii) if Automatic Payout Switch is specified as applicable in the applicable Final Terms and an Automatic Payout Switch Event occurs, the Final Payout for the Certificates will be amended (including any relevant Underlying Reference(s) as applicable) (a **Payout Switch**) from the Final Payout specified in the Final Terms to the Switched Payout specified in the applicable Final Terms on and after the Payout Switch Date specified in the applicable Final Terms. Notice of any Payout Switch will be given to Holders in accordance with Condition 10.

"**Automatic Payout Switch Event**" means that the SPS APS Value is (a) "greater than", (b) "equal to or greater than", (c) "less than" or (d) "less than or equal to", as specified in the applicable Final Terms, the Automatic Payout Switch Level, (x) on a SPS APS Valuation Date or (y) in respect of a SPS APS Valuation Period, as specified in the applicable Final Terms;

"**Automatic Payout Switch Level**" means the number, amount, level or percentage specified as such in the applicable Final Terms;

"**SPS APS Value**" means the value from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**SPS APS Valuation Date**" means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

"**SPS APS Valuation Period**" means each period specific as such in the applicable Final Terms.;

### 35. PAYMENTS AND PHYSICAL DELIVERY (CERTIFICATES)

#### 35.1 Payments

Except in the case of Registered Certificates, Swedish Dematerialised Certificates, Finnish Dematerialised Certificates and subject as provided below, the Issuer or, failing which, the Guarantor, if any, shall pay or cause to be paid the Cash Settlement Amount or Credit Event Redemption Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) for each Certificate by credit or transfer to the Holder's account with the relevant Clearing System or the Definitive Security Agent, as the case may be (in the case of English Law Certificates other than Swedish Dematerialised Certificates, the Finnish Dematerialised Certificates and Certificates held through Euroclear France ("**Euroclear France Certificates**") and in the case of Certificates held through Euroclear Netherlands ("**Euroclear Netherlands Certificates**") or with the relevant Account Holder (in the case of Euroclear France Certificates or Euroclear Netherlands Certificates) for value on the Redemption Date (or (a) in the case of Instalment Certificates, on the relevant Instalment Date; or (b) if Multiple Exercise is specified as applicable in the applicable Final Terms, on the relevant Exercise Settlement Date) less any Expenses, such payment to be made in accordance with the rules of such Clearing System or the Definitive Security Agent, as the case may be or Account Holder.

Except in the case of Registered Certificates and, Swedish Dematerialised Certificates, Finnish Dematerialised Certificates and where the Certificates pay interest, subject as provided below, the Issuer, failing which, the Guarantor, if any, shall pay or cause to be paid the Interest Amount for each Certificate in respect of each Interest Payment Date by credit or transfer to the Holder's account with the relevant Clearing System or in the case of Private Placement Definitive Certificates, the office of the Definitive Security Agent, as the case may be, for value on the relevant Interest Payment Date, such payment to be made in accordance with the rules of such Clearing System or the Definitive Security Agent, as the case may be.

Where the Certificates pay Premium Amount(s), subject as provided below, the Issuer, failing which, the Guarantor, if any, shall pay or cause to be paid the Premium Amount for each Certificate in respect of each Premium Amount Payment Date by credit or transfer to the Holder's account with the relevant Clearing System for value on the relevant Premium Amount Payment Date, such payment to be made in accordance with the rules of such Clearing System.

Except in the case of Registered Certificates, Swedish Dematerialised Certificates and Finnish Dematerialised Certificates, the Issuer or the Guarantor, if any, will be discharged by payment to, or to the order of, the relevant Clearing System or the Definitive Security Agent, as the case may be, or, as the case may be, the relevant Account Holder, in respect of the amount so paid. Each of the persons shown in the records of the relevant Clearing System or the Definitive Security Agent, as the case may be, or whose name appears in the account of the relevant Account Holder (in the case of Euroclear France Certificates or Euroclear Netherlands Certificates as the case may be) as the holder of a particular amount of the Certificates must look solely to the relevant Clearing System or the Definitive Security Agent, as the case may be, or, as the case may be, the relevant Account Holder for his share of each such payment so made to, or to the order of, such Clearing System or the Definitive Security Agent, as the case may be, or Account Holder.

In the case of OET Certificates, the Issuer shall confirm to the Principal Security Agent and to the relevant Account Holders (in the case of OET Certificates held through Euroclear France or Euroclear Netherlands) or Euroclear and Clearstream, Luxembourg (in the case of OET Certificates held through Euroclear or Clearstream, Luxembourg), the Cash Settlement Amount to be paid in respect of each OET Certificate.

In the case of Private Placement Definitive Certificates only, if a Holder has given wire transfer instructions to the Issuer and Definitive Security Agent, the Share Company will make all payments in accordance with those instructions.

In the case of Registered Certificates, the Issuer or, failing which, the Guarantor, if any, shall pay or cause to be paid the Cash Settlement Amount or Credit Event Redemption Amount (if any) (or in the case of Instalment Amount, each Instalment Amount) in respect of each Registered Certificate (whether or not in global form) against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Certificate at the specified office of the Registrar or any of the Security Agents by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Certificate appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and/or any other relevant Clearing System are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date (the "**Record Date**"). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the amount of the Certificates held by a holder is less than U.S.\$250,000 (or integral multiples of U.S.\$1,000 in excess thereof) (or its approximate equivalent in any other Settlement Currency), payment will instead be made by a cheque in the Settlement Currency drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (in the case of payment in a Settlement Currency other than euro) a bank in the principal financial centre of the country of such Settlement Currency and (in the case of a payment in euro) any bank which processes payments in euro.

In the case of Registered Certificates and where the Certificates pay interest, the Issuer or, failing which, the Guarantor, if any, shall pay or cause to be paid the Interest Amount (other than the final Interest Amount) in respect of each Registered Certificate (whether or not in global form) by a cheque in the Settlement Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Certificate appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and/or any other relevant Clearing System are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the Record Date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Certificate, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Certificates which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the Interest Amount due in respect of each Registered Certificate on redemption will be made in the same manner as payment of the Cash Settlement Amount of such Registered Certificate.

Holders of Registered Certificates will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Certificate as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No

commissions or expenses shall be charged to such holders by the Registrar/relevant Security Agent in respect of any payments of principal or interest in respect of the Registered Certificates.

None of the Issuer, the Guarantor (if applicable) or any of the Security Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Certificates or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

A record of each payment made on such Registered Global Certificate, distinguishing between any payment of the Cash Settlement Amount and any Interest Amount, will be made on such Registered Global Certificate by the Registrar to which such Registered Global Certificate is presented for the purpose of making such payment, and such record shall be *prima facie* evidence that the payment in question has been made.

The holder of the relevant Registered Global Certificate shall be the only person entitled to receive payments in respect of Registered Certificates represented by such Registered Global Certificate and the payment obligations of the Issuer or the Guarantor (if applicable) will be discharged by payment to, or to the order of, the holder of such Registered Global Certificate in respect of each amount so paid. Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, as the holder of a particular amount of Certificates must look solely to Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of the relevant Registered Global Certificate. No person other than the holder of the relevant Registered Global Certificate shall have any claim against the Issuer or the Guarantor (if applicable) in respect of any payments due on that Registered Global Certificate.

In the case of Swedish Dematerialised Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Credit Event Redemption Amount (if any) and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Sweden, in the case of Swedish Dematerialised Certificates issued in nominal, on the fifth Business Day, or in the case of Swedish Dematerialised Certificates issued in units, the fourth Business Day, immediately prior to the Redemption Date (or in the case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Payment Date**") (the "**Swedish Record Date**"). The Swedish Security Agent will pay the relevant amount through Euroclear Sweden to each Holder appearing in the Euroclear Sweden Register on the Swedish Record Date on the Payment Date.

In the case of Finnish Dematerialised Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Credit Event Redemption Amount (if any) and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Finland, in the case of Finnish Dematerialised Certificates issued in nominal, on the Business Day preceding the Redemption Date (or in the case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Finnish Payment Date**"), or in the case of Finnish Dematerialised Certificates issued in units, on the fifth trading day following the Redemption Valuation Date (both referred to as the "**Finnish Record Date**"). The Finnish Security Agent will pay the relevant amount to each Holder appearing in the Euroclear Finland Register on the Finnish Record Date, in the case of Finnish Dematerialised Certificates issued in nominal, on the Finnish Payment Date, or, in the case of Finnish Dematerialised Certificates issued in units, on the third Business Day following the Finnish Record Date. In the event of late payment not due to an event or circumstance mentioned below in this paragraph, penalty interest will be payable on the overdue amount from the due date for payment thereof up to and including the date on which payment is made

at an interest rate corresponding to, in the case of Helsinki Business Day, EURIBOR (or any other interbank offered rate applicable in Helsinki) increased by one percentage point. Interest will not be capitalized. Where the Issuer, the Guarantor, if any, or any Security Agent, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance, is prevented from effecting payment, such payment may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay penalty interest. The provisions in this paragraph shall apply to the extent that nothing to the contrary follows from applicable provisions specified in the applicable Final Terms, or from the provisions of the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)).

If the determination of any amount in respect of interest or premium amount due in respect of the Certificates on an Interest Payment Date or Premium Amount Payment Date (such date a "**Scheduled Payment Date**") is calculated by reference to the valuation of one or more Underlying Reference(s) and the date (or final date, as the case may be) for such valuation is postponed or delayed as provided in the Terms and Conditions to a date (such date the "**Delayed Date**") falling less than two Business Days preceding such Scheduled Payment Date, notwithstanding any provision to the contrary in the Terms and Conditions such Interest Payment Date or Premium Amount Payment Date, as the case may be, shall be postponed to the day falling two Business Days following such Delayed Date and no interest, premium or other amount shall be payable on the Certificates in respect of such delay.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment.

## 35.2 Physical Delivery

### (a) Asset Transfer Notices

In relation to Physical Delivery Certificates, in order to obtain delivery of the Entitlement(s) in respect of any Certificate, the relevant Holder must (i) in the case of (a) Certificates represented by a Clearing System Global Certificate held by a Common Depository on behalf of Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System or by Euroclear France or by Euroclear Netherlands, or (b) Certificates represented by a Registered Global Certificate, deliver to Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, as the case may be, or, as the case may be, the relevant Account Holder (in the case of Euroclear France Certificates or Euroclear Netherlands Certificates as the case may be), not later than 10.00 a.m. (Local Time) on the Cut-off Date, (ii) in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, deliver to the New York Security Agent not later than 5.00 p.m., New York City time on the Business Day in New York preceding the Cut-off Date, (iii) in the case of Certificates represented by Private Placement Definitive Certificates, deliver to the Definitive Security Agent, not later than 5.00 p.m., New York City time on the Business Day in New York preceding the Cut-off Date or (iv) in the case of Registered Certificates in the definitive form, deliver to the Registrar not later than 10.00 a.m. (Local Time) on the Cut-off Date, with a copy to the Principal Security Agent, a duly completed asset transfer notice (an "**Asset Transfer Notice**") in the form set out in the Agency Agreement in accordance with the provisions set out in this Condition.

Copies of the Asset Transfer Notice may be obtained during normal business hours from the specified office of any Security Agent or the Registrar, as the case may be.



In the case of Certificates represented by a Clearing System Global Certificate or Registered Global Certificate, an Asset Transfer Notice may only be delivered in such manner as is acceptable to the relevant Clearing System or, as the case may be, the relevant Account Holder, which is expected to be by authenticated SWIFT message or tested telex or, in the case of the New York Security Agent, by facsimile. In the case of Private Placement Definitive Certificates and definitive Registered Certificates, the Asset Transfer Notice may only be delivered by facsimile.

The Asset Transfer Notice shall:

- (i) specify the name, address and contact telephone number of the relevant Holder and the person from whom the Issuer may obtain details for the delivery of the Entitlement;
- (ii) specify the series number of the Certificates and the number of Certificates which are the subject of such notice;
- (iii) in the case of Clearing System Global Certificates or a Registered Global Certificate, specify the number of the Holder's securities account at the relevant Clearing System or, as the case may be, the relevant Account Holder to be debited with such Certificates or, in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, specify the designated account at DTC to be debited with such Certificates;
- (iv) (A) in the case of Clearing System Global Certificates or a Registered Global Certificate, irrevocably instruct the relevant Clearing System or, as the case may be, the relevant Account Holder to debit the relevant Holder's securities account with the relevant Certificates or, in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, irrevocably instruct the New York Security Agent to debit the relevant Holder's account with the relevant Certificates or (B) in the case of Private Placement Definitive Certificates or definitive Registered Certificates, irrevocably instruct the Definitive Security Agent or Registrar, as the case may be, to remove from the Private Placement Register or Register, as the case may be, on or before the Redemption Date or (in the case of Credit Certificates) the Settlement Date of the Certificates which are subject of such notice;
- (v) (A) in the case of Clearing System Global Certificates or a Registered Global Certificate, include an undertaking to pay all Expenses and an authority to the relevant Clearing System or, as the case may be, the relevant Account Holder to debit a specified account of the Holder with the relevant Clearing System or, as the case may be, the relevant Account Holder, in respect thereof and to pay such Expenses or, in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, an authority to the New York Security Agent to debit a specified account of the Holder and to pay such Expenses or (B) in the case of Private Placement Definitive Certificates or definitive Registered Certificates, include an undertaking to pay all Expenses and an authority to the Definitive Security Agent or Registrar, as the case may be, to deduct an amount in respect thereof from any amount due to such Holder and/or debit a specified account of the Holder in respect thereof;
- (vi) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and (A) in the case of Certificates represented by (i) a Clearing System Global Certificate held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System or (ii) a Registered Global Certificate, specify the name and number of the

Holder's account with the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with any cash payable by the Issuer, either in respect of any amounts payable pursuant to Credit Security Condition 4, any other cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Cash Settlement Price, as applicable, or as a result of the Issuer electing to pay the Alternate Cash Amount, (B) in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, specify the details of the account to be credited with any cash payable by the Issuer, either in respect of any amounts payable pursuant to Credit Security Condition 4, any other cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of BNPP electing to pay the Alternate Cash Amount, or (C) in the case of Private Placement Definitive Certificates or definitive Registered Certificates, specify the details of the account to be credited with any cash payable by BNPP either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement, or as a result of BNPP electing to pay the Alternate Cash Amount;

- (vii) with respect to Currency Securities only, (A) in the case of Clearing System Global Certificates other than a Rule 144A Global Certificate or a Registered Global Certificate, specify the number of the Holder's account to the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with the amount due upon redemption of the Certificates, (B) in the case of Currency Securities represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, specify the designated account at DTC to be credited with the amount due upon redemption of the Certificates, or (C) in the case of Private Placement Definitive Certificates or definitive Registered Certificates, specify the details of the account to be credited with the amount due upon redemption of the Certificates;
- (viii) certify, in the case of Clearing System Global Certificates other than a Rule 144A Global Certificate or Registered Certificates, that the beneficial owner of each Certificate is not a U.S. person (as defined in the Asset Transfer Notice), the Certificate is not being redeemed within the United States or on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any redemption thereof; and, where appropriate, including in the case of a Rule 144A Global Certificate, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities and other laws of the United States of America as required by the relevant Agent;
- (ix) in the case of Private Placement Definitive Certificates, include an undertaking to provide such various forms of certification in respect of restrictions under the securities, commodities and other laws of the United States of America as required by the relevant Agent;
- (x) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

If Condition 5.3 applies, the form of Asset Transfer Notice required to be delivered will be different from that set out above. Copies of such Asset Transfer Notice may be obtained from the relevant Clearing System or, as the case may be, the relevant Account Holder and the relevant Security Agent or the Registrar, as the case may be.

(b) Verification of the Holder

Upon receipt of an Asset Transfer Notice, the relevant Clearing System or, as the case may be, the relevant Account Holder shall verify that the person delivering the Asset Transfer Notice is the holder of the Certificates described therein according to its records. Subject thereto, the relevant Clearing System or, as the case may be, the relevant Account Holder will confirm to the Principal Security Agent the series number and number of Certificates the subject of such notice, the relevant account details and the details for the delivery of the Entitlement of each Certificate. Upon receipt of such confirmation, the Principal Security Agent will inform the Issuer thereof. The relevant Clearing System or, as the case may be, the relevant Account Holder will on or before the Delivery Date or (in the case of Credit Certificates) the Settlement Date debit the securities account of the relevant Holder with the relevant Certificates.

In the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, upon receipt of an Asset Transfer Notice, the New York Security Agent shall verify that the person delivering the Asset Transfer Notice is the Holder according to the records of DTC. Subject thereto, the New York Security Agent will confirm the series number and number of Certificates the subject of such notice, the relevant account details and the details for the delivery of the Entitlement of each Certificate. Upon receipt of such confirmation, the New York Security Agent will inform BNPP thereof. The New York Security Agent will, on or before the Delivery Date or (in the case of Credit Certificates) the Settlement Date, debit the account of the relevant Holder with the relevant Certificates. In the case of Private Placement Definitive Certificates, upon receipt of an Asset Transfer Notice, the Definitive Security Agent shall verify that the person delivering the Asset Transfer Notice is the Holder according to the Private Placement Register. Subject thereto, the Definitive Security Agent will confirm the series number and number of Certificates the subject of such notice and the details for the delivery of the Entitlement of each Certificate. Upon receipt of such confirmation, the Definitive Security Agent will inform BNPP thereof. The Definitive Security Agent will, on or before the Delivery Date or (in the case of Credit Certificates) the Settlement Date, update the Private Placement Register.

In the case of definitive Registered Certificates, upon receipt of an Asset Transfer Notice, the Registrar shall verify that the person delivering the Asset Transfer Notice is the Holder according to the Register. Subject thereto, the Registrar will confirm the series number and number of Certificates the subject of such notice and the details for the delivery of the Entitlement of each Certificate. Upon receipt of such confirmation, the Registrar will inform the Issuer thereof. The Registrar will, on or before the Delivery Date or (in the case of Credit Certificates) the Settlement Date, update the Register.

(c) Determinations and Delivery

Any determination as to whether an Asset Transfer Notice is duly completed and in proper form shall be made by (i) in the case of Clearing System Global Certificates (other than Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC) and a Registered Global Certificate, the relevant Clearing System or, as the case may be, the relevant Account Holder, (ii) in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, the New York Security Agent, (iii) in the case of Private Placement Definitive Certificates, the Definitive Security Agent, or (iv) in the case of definitive Registered Certificates, the Registrar, in each case, in consultation with the Principal Security Agent, and shall be conclusive and binding on the Issuer, the Guarantor, if any, the Security Agents and the relevant Holder. Subject as set out below, any Asset Transfer Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Security Agent immediately after being delivered or sent to the relevant Clearing

System or, as the case may be, the relevant Account Holder, the New York Security Agent, the Definitive Security Agent or the Registrar, as provided in paragraph (a) above, shall be null and void.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of the relevant Clearing System, the New York Security Agent, the Definitive Security Agent or the Registrar or, as the case may be, the relevant Account Holder in consultation with the Principal Security Agent, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered to the relevant Clearing System, the New York Security Agent, the Definitive Security Agent or the Registrar or, as the case may be, the relevant Account Holder and the Principal Security Agent.

The relevant Clearing System, the New York Security Agent, the Definitive Security Agent or the Registrar, as the case may be, or, as the case may be, the relevant Account Holder shall use its best efforts promptly to notify the Holder submitting an Asset Transfer Notice if, in consultation with the Principal Security Agent, it has determined that such Asset Transfer Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, if any, the Security Agents, the Registrar or the relevant Clearing System or, as the case may be, the relevant Account Holder shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

No Asset Transfer Notice may be withdrawn after receipt thereof by the relevant Clearing System, the relevant Account Holder, the Registrar or the relevant Security Agent, as the case may be, as provided above. After delivery of an Asset Transfer Notice, the relevant Holder may not transfer the Certificates which are the subject of such notice.

The Entitlement will be delivered at the risk of the relevant Holder, in the manner provided below on the Redemption Date (such date, subject to adjustment in accordance with this Condition, the "**Delivery Date**") or (in the case of Credit Certificates) the Settlement Date, provided that the Asset Transfer Notice is duly delivered to the relevant Clearing System or the relevant Security Agent or, as the case may be, the relevant Account Holder with a copy to the Principal Security Agent, as provided above on or prior to the Cut-Off Date.

If a Holder fails to give an Asset Transfer Notice as provided herein with a copy to the Principal Security Agent, on or prior to the Cut-Off Date, then the Entitlement will be delivered or, as the case may be, Delivered as soon as practicable after the Redemption Date (in which case, such date of delivery shall be the Delivery Date) or (in the case of Credit Certificates) the Settlement Date, at the risk of such Holder in the manner provided herein. For the avoidance of doubt, in such circumstances such Holder shall not be entitled to any payment, whether of interest or otherwise, as a result of the Delivery Date or the Settlement Date, as the case may be, falling after the Redemption Date or the originally designated Settlement Date, as applicable, and no liability in respect thereof shall attach to the Issuer or the Guarantor, if any.

The Issuer shall at the risk of the relevant Holder, deliver or procure the delivery of the Entitlement or (in the case of Credit Certificates) Deliver the Deliverable Obligations comprising the Entitlement for each Certificate, pursuant to the details specified in the Asset Transfer Notice or in such commercially reasonable manner as the Calculation Agent shall in its sole discretion determine and notify to the person designated by the Holder in the relevant Asset Transfer Notice. All Expenses arising from the delivery of the Entitlement or Delivery of the Deliverable Obligations comprising the Entitlement, as the case may be, in respect of such Certificates shall be for the account of the relevant Holder and no delivery of the Entitlement or Delivery of the Deliverable Obligations comprising the Entitlement, as

the case may be, shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Holder.

(d) General

If Aggregation is specified as applicable in the applicable Final Terms, certificates held by the same Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Certificates, provided that the aggregate Entitlements in respect of the same Holder will be rounded down to the nearest whole unit of the Relevant Asset, each of the Relevant Assets, the Deliverable Obligation or the Deliverable Obligations, as the case may be, in such manner as the Calculation Agent shall determine. Fractions of the Relevant Asset, of each of the Relevant Assets, the Deliverable Obligation or the Deliverable Obligations, as the case may be, will not be delivered and in lieu thereof a cash adjustment calculated by the Calculation Agent in its sole and absolute discretion shall be paid to the Holder.

Following the Delivery Date of a Share Security or ETI Security all dividends on the relevant Shares or ETI Interests to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares or ETI Interests executed on the Delivery Date and to be delivered in the same manner as such relevant Shares or ETI Interests. Any such dividends to be paid to a Holder will be paid to the account specified by the Holder in the relevant Asset Transfer Notice as referred to in Condition 35.2(a).

For such period of time after delivery or Delivery of the Entitlement as the Issuer or any person acting on behalf of the Issuer shall continue to be the legal owner of the securities or Deliverable Obligations comprising the Entitlement (the "**Intervening Period**"), none of the Issuer, the Guarantor, if any, the Calculation Agent nor any other person shall at any time (i) be under any obligation to deliver or procure delivery to any Holder any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such securities, obligations or Deliverable Obligations, (ii) be under any obligation to exercise or procure exercise of any or all rights attaching to such securities, obligations or Deliverable Obligations or (iii) be under any liability to a Holder in respect of any loss or damage which such Holder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening Period as legal owner of such securities, obligations or Deliverable Obligations.

(e) Commodity Securities shall not be Physical Delivery Certificates.

**36. PRESCRIPTION (CERTIFICATES)**

Claims against the Issuer or the Guarantor, if any, for payment of principal, interest and/or Premium Amount in respect of the Certificates (other than Finnish Dematerialised Certificates) shall become void unless made within 60 months from the Redemption Date, or in the case of Finnish Dematerialised Certificates, within three years from the Redemption Date, and no claims shall be made after such date.

## ANNEX 1

### ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

The following terms and conditions (the "**Payout Conditions**"), subject to completion in the applicable Final Terms, relate to the payouts in respect of the Securities. In particular, certain sections of the Payout Conditions will be set out and completed in the applicable Final Terms. In the event of any inconsistency between the terms and conditions of the Notes (the "**Note Conditions**") or the terms and conditions of the W&C Securities (the "**W&C Security Conditions**"), as applicable, and the Payout Conditions, the Payout Conditions shall prevail. The descriptions of the payouts, interest or premium amount rates and entitlement amounts and/or related provisions included in italics below do not form part of the Payout Conditions, are included for information purposes only and are subject to the detailed terms of the relevant payout, interest or premium amount rate or entitlement amount, as applicable. The nomenclature of ETS payouts is based on a combination of the European Structured Investment Products Association (EUSIPA) categorisation and BNPP's internal codification.

#### 1. ETS PAYOUTS

##### 1.1 Final Payouts

The following final payouts (each a "**Final Payout**") shall apply to the Securities if specified in the applicable Final Terms:

###### (a) ETS Final Payout 1100

If ETS Final Payout 1100 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is less than or equal to the Protection Level:

Notional Amount x Protection Factor ; or

- (ii) if Settlement Price Final is greater than the Protection Level:

$$\text{Notional Amount} + \text{Notional Amount} \times \text{Participation Factor} \times \left( \left( \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right) - 1 \right).$$

###### *Description of the Payout*

*If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or less than the Protection Level, the Payout will equal the Notional Amount multiplied by the Protection Factor. Otherwise the Payout will equal the Notional Amount plus the performance of the Underlying Reference multiplied by the Participation Factor.*

###### (b) ETS Final Payout 1120

If ETS Final Payout 1120 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is less than or equal to the Protection Level:

NotionalAmount xProtectionFactor; or

- (ii) if Settlement Price Final is greater than the Protection Level:

$$\text{Min (Notional Amount + Notional Amount x Participation Factor x } \left[ \left( \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right) - 1 \right]; \\ \text{Notional Amount x Cap Level Percentage);}$$

**Description of the Payout**

*If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or less than the Protection Level, the Payout will equal the Notional Amount multiplied by the Protection Factor. Otherwise the Payout will equal the Notional Amount plus the performance of the Underlying Reference multiplied by the Participation Factor, subject to a cap of the Cap Level Percentage.*

(c) **ETS Final Payout 1200**

If ETS Final Payout 1200 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is less than or equal to the Maximum Payout Amount:

$$\frac{\text{Settlement Price Final}}{[\text{Parity x Exchange Rate Final}]} ; \text{ or}$$

- (ii) if Settlement Price Final is greater than the Maximum Payout Amount:

$$\frac{\text{Maximum Payout Amount}}{\text{Parity x Exchange Rate Final}} .$$

**Description of the Payout**

*If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or less than the Maximum Payout Amount, the Payout will equal the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity). Otherwise the Payout will equal the Maximum Payout Amount (divided by the product of the Exchange Rate and Parity).*

(d) **ETS Final Payout 1230/1**

If ETS Final Payout 1230/1 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is equal to or greater than the Barrier Level:

$$\text{Notional Amount x (100\% + Coupon Percentage) ; or}$$

- (ii) if Settlement Price Final is less than the Barrier Level:

$$\text{Notional Amount x } \frac{\text{Settlement Price Final}}{\text{Strike Price}} + \text{Coupon Percentage} .$$

**Description of the Payout**

*If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Barrier Level, the Payout will equal the Notional Amount plus the*

*Coupon Percentage. Otherwise the Payout will equal the Notional Amount minus the performance of the Underlying Reference plus the Coupon Percentage.*

(e) **ETS Final Payout 1230/2**

If ETS Final Payout 1230/2 is specified as applicable in the applicable Final Terms:

- (i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level:

$$\text{Notional Amount} \times (100\% + \text{Coupon Percentage}) ; \text{ or}$$

- (ii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level:

$$\text{Notional Amount} \times \frac{\text{Settlement Price Final}}{\text{Strike Price}} + \text{Coupon Percentage} \cdot$$

*Description of the Payout*

*If no Knock-Out Event occurs during the term of the Securities, the Payout will equal the Notional Amount plus the Coupon Percentage. Otherwise the Payout will equal the Notional Amount minus the performance of the Underlying Reference plus the Coupon Percentage.*

(f) **ETS Final Payout 1240/1**

If ETS Final Payout 1240/1 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is greater than the Strike Price:

$$\text{Notional Amount} \times \text{Min} \left[ L \times \left( \frac{\text{Settlement Price Final} - \text{Strike Price}}{\text{Strike Price}} \right) + 1; \text{Cap Level Percentage} \right] ; \text{ OR}$$

- (ii) if Settlement Price Final is less than or equal to the Strike Price:

$$\text{Notional Amount} \times \left( \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right).$$

*Description of the Payout*

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Strike Price, the Payout will equal the Notional Amount plus L multiplied by the performance of the Underlying Reference, subject to a cap of the Cap Level Percentage. Otherwise, the Payout will equal the Notional Amount minus the performance of the Underlying Reference.*

(g) **ETS Final Payout 1240/2**

If ETS Final Payout 1240/2 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is greater than the Strike Price:

$$\text{Notional Amount} \times \text{Min} \left[ L \times \left( \frac{\text{Settlement Price Final} - \text{Strike Price}}{\text{Strike Price}} \right) + 1; \text{Cap Level Percentage} \right] ;$$



- (ii) if Settlement Price Final is less than or equal to the Strike Price and no Knock-out Event has occurred:

Notional Amount x 100% ; or

- (iii) if Settlement Price Final is less than or equal to the Strike Price and a Knock-out Event has occurred:

$$\text{Notional Amount} \times \left( \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right).$$

**Description of the Payout**

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Strike Price, the Payout will equal the Notional Amount plus L multiplied by the performance of the Underlying Reference, subject to a cap of the Cap Level Percentage. If the Settlement Price of the Underlying Reference on the Valuation Date is less than or equal to the Strike Price and no Knock-out Event has occurred, the Payout provides 100% capital protection. Otherwise the Payout will equal the Notional Amount minus the performance of the Underlying Reference.*

**(h) ETS Final Payout 1240/3**

If ETS Final Payout 1240/3 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is greater than the Strike Price:

$$\text{Notional Amount} \times \text{Min} \left[ L \times \left( \frac{\text{Settlement Price Final} - \text{Strike Price}}{\text{Strike Price}} \right) + 1, \text{Cap Level Percentage} \right];$$

- (ii) if Settlement Price Final is less than or equal to the Strike Price and equal to or greater than the Barrier Level:

Notional Amount x 100% ; or

- (iii) if Settlement Price Final is less than the Barrier Level:

$$\text{Notional Amount} \times \left( \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right).$$

**Description of the Payout**

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Strike Price, the Payout will equal the Notional Amount plus L multiplied by the performance of the Underlying Reference, subject to a cap of the Cap Level Percentage. If the Settlement Price of the Underlying Reference on the Valuation Date is less than or equal to the Strike Level but greater than or equal to the Barrier Level, the Payout provides for 100% principal protection. Otherwise the Payout will equal the Notional Amount minus the performance of the Underlying Reference.*

**(i) ETS Final Payout 1240/4**

If ETS Final Payout 1240/4 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is greater than the Strike Price:
- $$\frac{[\text{Strike Price} + \text{Sprint Factor} \times [\text{Min}(\text{Upper Level}; \text{Settlement Price Final}) - \text{Strike Price}]]}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$
- (ii) if Settlement Price Final is less than or equal to the Strike Price:
- $$\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

**Description of the Payout**

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Strike Price, the Payout will equal the Strike Price plus the Sprint Factor multiplied by the difference between the Settlement Price of the Underlying Reference on the Valuation Date and the Strike Price, subject to a cap of the Strike Price plus the Sprint Factor multiplied by the Upper Level less the Strike Price divided by the product of the Exchange Rate and Parity. Otherwise, the Payout will equal the Settlement Price of the Underlying Reference on the Valuation Date divided by the product of the Exchange Rate and Parity.*

**(j) ETS Final Payout 1250/1**

If ETS Final Payout 1250/1 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is greater than the Barrier Level:
- $$\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$
- (ii) if Settlement Price Final is less than or equal to the Barrier Level:
- $$\frac{\text{Min}[\text{Settlement Price Final}; \text{Cap Level}]}{[\text{Parity} \times \text{Exchange Rate Final}]} .$$

**Description of the Payout**

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Barrier Level, the Payout will equal the Bonus Level (divided by the product of the Exchange Rate and Parity). Otherwise the Payout will be equal to the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity).*

**(k) ETS Final Payout 1250/2**

If ETS Final Payout 1250/2 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is less than the Cap Level and equal to or greater than the Barrier Level:
- $$\text{Notional Amount} \times \text{Max} \left( \text{Bonus Level Percentage}; \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right) ;$$
- (ii) if Settlement Price Final is equal to or greater than the Cap Level:
- $$\text{Notional Amount} \times \text{Cap Level Percentage} ; \text{ or}$$
- (iii) if Settlement Price Final is less than the Barrier Level:

$$\text{Notional Amount} \times \left( \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right).$$

*Description of the Payout*

*If the Settlement Price of the Underlying Reference on the Valuation Date is less than the Cap Level but equal to or greater than the Barrier Level, the Payout will equal the Notional Amount multiplied by the Bonus Level Percentage, or plus the performance of the Underlying Reference, if greater. If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Cap Level, the Payout will equal the Notional Amount multiplied by the Cap Level Percentage. Otherwise the Payout will equal the Notional Amount plus the performance of the Underlying Reference.*

(l) **ETS Final Payout 1250/3**

If ETS Final Payout 1250/3 is specified as applicable in the applicable Final Terms:

- (i) if no Knock-out Event has occurred and Settlement Price Final is greater than the Cap Level:

$$\text{Notional Amount} \times \text{Max} \left[ 200\% - \text{Bonus Level Percentage}; 200\% - \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right];$$

- (ii) if no Knock-out Event has occurred and Settlement Price Final is less than or equal to the Cap Level:

$$\text{Notional Amount} \times [200\% - \text{Cap Level Percentage}]; \text{ or}$$

- (iii) if a Knock-out Event has occurred:

$$\text{Notional Amount} \times \left[ \text{Max} \left( 0, \text{Min} \left( \left( 200\% - \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right); (200\% - \text{Cap Level Percentage}) \right) \right) \right].$$

*Description of the Payout*

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Cap Level and no Knock-out Event occurs, the Payout will equal the Notional Amount multiplied by 200% minus the Bonus Level Percentage or the performance of the Underlying Reference, if lower. If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or less than the Cap Level, the Payout will equal the Notional Amount multiplied by 200% minus the Cap Level Percentage. Otherwise, the Payout will equal the maximum of zero and the lesser of the Notional Amount multiplied by 200% minus the performance of the Underlying Reference and the Notional Amount minus the Cap Level Percentage.*

(m) **ETS Final Payout 1250/4**

If ETS Final Payout 1250/4 is specified as applicable in the applicable Final Terms:

- (i) if the Underlying Reference Level has never been less than or equal to the Barrier Level at any time on any Observation Date during the Observation Period:

$$\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}; \text{ or}$$

- (ii) otherwise:

$$\frac{\text{Min}[\text{Settlement Price Final}; \text{Cap Level}]}{[\text{Parity} \times \text{Exchange Rate Final}]}$$

*Description of the Payout*

*If the Underlying Reference Level has never been less than or equal to the Barrier Level during the Observation Period, the Payout will be equal to the Bonus Level (divided by the Exchange Rate and Parity). Otherwise the Payout will be equal to the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity) subject to a maximum of Cap Level (divided by the Exchange Rate and Parity).*

(n) **ETS Final Payout 1250/5**

If ETS Final Payout 1250/5 is specified as applicable in the applicable Final Terms:

- (i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level and if Settlement Price Final is less than the Cap Level:

$$\text{Notional Amount} \times \text{Max} \left( \text{Bonus Level Percentage}; \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right);$$

- (ii) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level and if Settlement Price Final is greater than or equal to the Cap Level:

Notional Amount x Cap Level Percentage ; or

- (iii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level:

$$\text{Notional Amount} \times \text{Min} \left( \text{Cap Level Percentage}; \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right).$$

*Description of the Payout*

*If the Settlement Price of the Underlying Reference on the Valuation Date is less than the Cap Level and no Knock-out Event occurs, the Payout will equal the Notional Amount multiplied by the maximum of the Bonus Level Percentage and the performance of the Underlying Reference. If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Cap Level and no Knock-out event occurs, the Payout will equal the Notional Amount multiplied by the Cap Level Percentage. Otherwise the Payout will equal the greater of the Notional Amount plus the performance of the Underlying Reference and the Notional Amount multiplied by the Cap Level Percentage.*

(o) **ETS Final Payout 1250/6**

If ETS Final Payout 1250/6 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is greater than the Barrier Level:

Express Amount; or

- (ii) if Settlement Price Final is less than or equal to the Barrier Level:

$$\text{Issue Price} \times \left( \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right).$$

*Description of the Payout*

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Barrier Level, the Payout will equal the Express Amount. Otherwise, the Payout will equal the Issue Price minus the performance of the Underlying Reference.*

(p) **ETS Final Payout 1260/1**

If ETS Final Payout 1260/1 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is greater than or equal to the Strike Price:

$$\text{Notional Amount} \times [100\% + \text{Premium Percentage} \times [n]] ;$$

- (ii) if Settlement Price Final is less than the Strike Price and greater than or equal to the Barrier Level:

$$\text{Notional Amount} \times 100\% ; \text{ or}$$

- (iii) if Settlement Price Final is less than the Barrier Level:

$$\text{Notional Amount} \times \left[ 100\% + \frac{\text{Settlement Price Final} - \text{Underlying Reference Initial}}{\text{Underlying Reference Initial}} \right].$$

*Description of the Payout*

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than or equal to the Strike Price, the Payout will equal the Notional Amount plus a premium. If the Settlement Price of the Underlying Reference on the Valuation Date is lower than the Strike Price but greater than or equal to the Barrier Level, the Payout provides 100% principal protection. Otherwise, the Payout will equal the Notional Amount minus the performance of the Underlying Reference.*

(q) **ETS Final Payout 1260/2**

If ETS Final Payout 1260/2 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is greater than or equal to the Barrier Level:

$$\text{Notional Amount} \times [100\% + [\text{Premium Percentage}] \times [n]]; \text{ or}$$

- (ii) if Settlement Price Final is less than the Barrier Level:

$$\text{Notional Amount} \times \left[ 100\% + \left( \frac{\text{Settlement Price Final} - \text{Underlying Reference Initial}}{\text{Underlying Reference Initial}} \right) \right]$$

*Description of the Payout*

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than or equal to the Barrier Level, the Payout will equal the Notional Amount plus a premium.*

*Otherwise, the Payout will equal the Notional Amount minus the performance of the Underlying Reference.*

(r) **ETS Final Payout 1300**

If ETS Final Payout 1300 is specified as applicable in the applicable Final Terms:

$$\text{Cert}_{(t0)} \times \text{AF}_{(t)} \times [\text{UR}_{(t)} \times \text{Fx}_{(t)} / (\text{UR}_{(t0)} \times \text{Fx}_{(t0)})]$$

Where:

"**ACT<sub>(i,i-1)</sub>**" means the number of calendar days between two ACT Days;

"**ACT Day**" means Scheduled Trading Days, Custom Index Business Days, Commodity Business Days or Calendar days as specified in the applicable Final Terms;

"**AF<sub>(t)</sub>**" means fees factor<sub>(t)</sub> \* div reinvested factor<sub>(t)</sub>;

"**Cert<sub>(t0)</sub>**" means the amount specified as such in the applicable Final Terms;

"**div reinvested factor<sub>(t)</sub>**" means (i) if the Underlying Reference is a Share or an Index (where in the determination of the Calculation Agent dividends on the constituent share are not reinvested in the Index),  $\text{Product}_{(t0) \text{ to } (t)} (1 + \text{Div Percentage} * \text{Gross div}_{(ti)} / \text{URI}_{(ti-1)})$  or (ii) otherwise, 1;

"**Div Percentage**" means percentage specified as such in the applicable Final Terms;

"**fees**" means the percentage specified as such in the applicable Final Terms;

"**fees factor<sub>(t)</sub>**" means  $\text{Product}_{(t0) \text{ to } (t)} (1 - \text{fees} * \text{ACT}_{(i,i-1)} / 360)$ ;

"**Fx<sub>(t)</sub>**" means Exchange Rate Final;

"**Fx<sub>(t0)</sub>**" means Exchange Rate Initial;

"**Gross div<sub>(ti)</sub>**" means (i) if the Underlying Reference is a Share, any ordinary cash dividends (before deduction of any withholding or deduction of taxes at source by or behalf of any applicable authority having power to tax in respect of such dividend and without any tax credit refund or deduction granted by any applicable authority having power to tax in respect of such dividend) ex-dividend at date<sub>ti</sub> and effectively paid or (ii) if the Underlying Reference is an Index, any ordinary cash dividends (before deduction of any withholding or deduction of taxes at source by or behalf of any applicable authority having power to tax in respect of such dividend and without any tax credit refund or deduction granted by any applicable authority having power to tax in respect of such dividend) ex-dividend at date<sub>ti</sub> on any constituent share in such Index at date<sub>ti</sub>, taking into account the weight of such constituent share at date<sub>ti-1</sub> and effectively paid.

"**UR<sub>(t)</sub>**" means Settlement Price Final;

"**UR<sub>(ti-1)</sub>**" means the Settlement Price on the Scheduled Trading Day prior to the Dividend ex Date<sub>(ti-1)</sub>; and

"**UR<sub>(t0)</sub>**" means the Settlement Price of the Underlying Reference on the Strike Date.

### ***Description of the Product***

*The Payout replicates the performance of the Underlying Reference less certain amounts (including, but not limited to, fees (including quanto fees), dividends paid (if applicable) and roll fees depending of the Underlying Reference).*

#### **(s) ETS Final Payout 1320/1**

If ETS Final Payout 1320/1 is specified as applicable in the applicable Final Terms:

- (i) if the Underlying Reference Level has never been less than or equal to the Barrier Level at any time on any Observation Date during the Observation Period:

$$\frac{\text{Max} [\text{Settlement Price Final}; \text{Bonus Level}]}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$

- (ii) otherwise:

$$\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]} .$$

### ***Description of the Payout***

*If the Underlying Reference Level has never been less than or equal to the Barrier Level during the Observation Period, the Payout will be equal to the maximum of the Bonus Level (divided by the product of the Exchange Rate and Parity) and the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity). Otherwise the Payout will be equal to the Settlement Price on the Valuation Date (divided by the Exchange Rate and Parity).*

#### **(t) ETS Final Payout 1320/2**

If ETS Final Payout 1320/2 is specified as applicable in the applicable Final Terms:

- (i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level:

$$\text{Notional Amount} \times \text{Max} \left( \text{Bonus Level Percentage} \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right) ; \text{ or}$$

- (ii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level:

$$\text{Notional Amount} \times \left( \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right) .$$

### ***Description of the Payout***

*If no Knock-out occurs the Payout will equal the Notional Amount multiplied by the maximum of the Bonus Level Percentage and the performance of the Underlying Reference. Otherwise the Payout will equal the Notional Amount minus the performance of the Underlying Reference.*

#### **(u) ETS Final Payout 1340/1**

If ETS Final Payout 1340/1 is specified as applicable in the applicable Final Terms:

- (i) if no Knock-out Event has occurred:

Notional Amount x  $[100\% + \text{Redemption Premium}]$ ; or

- (ii) if a Knock-out Event has occurred:

Notional Amount x  $\left(\frac{\text{Settlement Price Final}}{\text{Strike Price}}\right)$ .

Where "**Redemption Premium**" means:

$$\text{Max} \left[ \text{Upside Participation Factor} \times \left( \frac{\text{Settlement Price Final}}{\text{Strike Price}} - 1 \right); \text{Downside Participation Factor} \times \left( 1 - \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right) \right].$$

***Description of Payout and Redemption Premium***

*If no Knock-out occurs, the Payout will equal the Notional Amount plus the Redemption Premium. Otherwise, the Payout will equal the Notional Amount minus the performance of the Underlying Reference.*

*The Redemption Premium is the absolute value of the performance of the Underlying Reference (being the Settlement Price of the Underlying Reference on the Valuation Date divided by the Strike Price minus 1) multiplied by the relevant participation factor.*

(v) **ETS Final Payout 1340/2**

If ETS Final Payout 1340/2 is specified as applicable in the applicable Final Terms:

- (i) if Settlement Price Final is equal to or greater than the Cap Level and no Knock-out Event has occurred:

Notional Amount x Cap Level Percentage;

- (ii) if Settlement Price Final is less than the Cap Level and no Knock-out Event has occurred:

Notional Amount x  $[100\% + \text{Redemption Premium}]$ ; or

- (iii) if a Knock-out Event has occurred:

$[\text{Notional Amount}] \times \text{Min} \left( \left( \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right); \text{Cap Level Percentage} \right)$ .

Where "**Redemption Premium**" means:

$$\text{Max} \left[ \text{Upside Participation Factor} \times \left( \frac{\text{Settlement Price Final}}{\text{Strike Price}} - 1 \right); \text{Downside Participation Factor} \times \left( 1 - \frac{\text{Settlement Price Final}}{\text{Strike Price}} \right) \right].$$

***Description of Payout and Redemption Premium***

*If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Cap Level and if no Knock-out occurs, the Payout will equal the Notional Amount multiplied by the Cap Level Percentage. If the Settlement Price of the Underlying*



*Reference on the Valuation Date is less than the Cap Level and no Knock-out occurs, the Payout will equal the Notional Amount plus the Redemption Premium. Otherwise, the Payout will equal the minimum of the Notional Amount minus the performance of the Underlying Reference and the Notional Amount multiplied by the Cap Level Percentage.*

*The Redemption Premium is the absolute value of the performance of the Underlying Reference (being the Settlement Price of the Underlying Reference on the Valuation Date divided by the Strike Price minus 1) multiplied by the relevant participation factor.*

(w) **ETS Final Payout 1399**

If ETS Final Payout 1399 is specified as applicable in the applicable Final Terms:

- (i) if at any time on any Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level and equal to or greater than the Bonus Level:

- (A) if Settlement Price Final is less than or equal to the Bonus Level:

$$\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$

- (B) if Settlement Price Final is greater than the Bonus Level:

$$\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]} ;$$

- (ii) if at any time on any Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Barrier Level and at all times less than the Bonus Level:

$$\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$

- (iii) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Barrier Level:

- (A) if Settlement Price Final is less than or equal to the Bonus Level:

$$\frac{\text{Bonus Level}}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$

- (B) if Settlement Price Final is greater than the Bonus Level:

$$\frac{\text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]} .$$

**Description of the Payout**

*If the Underlying Reference Level has at any time been less than or equal to the Barrier Level during the Observation Period and equal to or greater than the Bonus Level, the Payout will be equal to the maximum of the Bonus Level (divided by the product of the Exchange Rate and Parity) and the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity). If the Underlying Reference has at any time been less than or equal to the Barrier Level during the Observation Period and at all times less than the Bonus*

*Level, the Payout will be equal to the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity). If the Underlying Reference Level has at all times been greater than the Barrier Level during the Observation Period, the Payout will be equal to the maximum of the Bonus Level (divided by the product of the Exchange Rate and Parity) and the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity).*

(x) **ETS Final Payout 2100**

If ETS Final Payout 2100 is specified as applicable in the applicable Final Terms:

- (i) if the Securities are specified in the applicable Final Terms as being Call Warrants:

$\text{Max} [0; \text{Settlement Price Final} - \text{Exercise Price}] / [\text{Parity} \times \text{Exchange Rate Final}]$ ; or

- (ii) if the Securities are specified in the applicable Final Terms as being Put Warrants:

$\text{Max} [0; \text{Exercise Price} - \text{Settlement Price Final}] / [\text{Parity} \times \text{Exchange Rate Final}]$ .

*Description of the Payout*

*In the case of Call Warrants, the Payout will be equal to the excess (if any) of the Settlement Price on the Valuation Date over the Exercise Price (divided by the product of the Exchange Rate and Parity).*

*In the case of Put Warrants, the Payout will be equal to the excess (if any) of the Exercise Price over the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate and Parity).*

(y) **ETS Final Payout 2110/1**

If ETS Final Payout 2110/1 is specified as applicable in the applicable Final Terms:

- (i) if the Settlement Price Final is equal to or greater than the Upper Level:

$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$  ;

- (ii) if the Settlement Price Final is greater than the Lower Level and less than the Upper Level:

$\frac{\text{Settlement Price Final} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]}$  ; or

- (iii) if the Settlement Price Final is less than or equal to the Lower Level:

0 (zero).

*Description of Payout*

*If the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Lower Level, the Payout will be equal to the Settlement Price of the Underlying Reference on the Valuation Date less the Lower Level, subject to a cap on the Upper Level less the Lower Level (divided by the product of the Exchange Rate and Parity). If the Settlement Price of the*

*Underlying Reference on the Valuation Date is less than or equal to the Lower Level, the Payout equals zero and there will be no payment on redemption or exercise of the Securities.*

*The Upper Level and the Lower Level are levels which determine the maximum amount of the Payout and the different payout scenarios.*

(z) **ETS Final Payout 2110/2**

If ETS Final Payout 2110/2 is specified as applicable in the applicable Final Terms:

- (i) if the Settlement Price Final is less than or equal to the Lower Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]} ;$$

- (ii) if the Settlement Price Final is greater than the Lower Level but less than the Upper Level:

$$\frac{\text{Upper Level} - \text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$

- (iii) if the Settlement Price Final is equal to or greater than the Upper Level:

0 (zero).

**Description of Payout**

*If the Settlement Price of the Underlying Reference on the Valuation Date is less than the Upper Level, the Payout will equal the Upper Level less the Settlement Price of the Underlying Reference on the Valuation Date, subject to a cap on the Upper Level less the Lower Level (divided by the product of the Exchange Rate and Parity). If the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Upper Level, the Payout will equal zero and there will be no payment on redemption or exercise of the Securities.*

*The Upper Level and the Lower Level are levels which determine the maximum amount of the Payout and the different payout scenarios.*

(aa) **ETS Final Payout 2110/3**

If ETS Final Payout 2110/3 is specified as applicable in the applicable Final Terms:

- (i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is greater than the Lower Level:

- (A) if Settlement Price Final is greater than the Lower Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$

- (B) if Settlement Price Final is less than or equal to the Lower Level:

0 (zero); or

(ii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is less than or equal to the Lower Level:

(A) if Settlement Price Final is equal to or greater than the Upper Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]} ;$$

(B) if Settlement Price Final is greater than the Lower Level but less than the Upper Level:

$$\frac{\text{Settlement Price Final} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$

(C) if the Settlement Price Final is less than or equal to the Lower Level:

0 (zero).

#### **Description of Payout**

*If the Underlying Reference Level is at all times greater than the Lower Level and if the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Lower Level, then the Payout equals the Upper Level less the Lower Level (divided by the product of the Exchange Rate and Parity). Otherwise, if the Settlement Price of the Underlying Reference on the Valuation Date is less than or equal to the Lower Level, then the Payout will equal zero and there will be no payment on redemption or exercise of the Securities. If the Underlying Reference Level has at any time been less than or equal to the Lower Level and if the Settlement Price of the Underlying Reference on the Valuation Date is greater than the Lower Level, the Payout will equal the Settlement Price of the Underlying Reference on the Valuation Date less the Lower Level, subject to a cap of the Upper Level less the Lower Level (divided by the product of the Exchange Rate and Parity). Otherwise, if the Settlement Price of the Underlying Reference on the Valuation Date is less than or equal to the Lower Level, then the Payout will equal zero and there will be no payment on redemption or exercise of the Securities.*

*The Upper Level and the Lower Level are levels which determine the maximum amount of the Payout and the different payout scenarios.*

#### **(bb) ETS Final Payout 2110/4**

If ETS Final Payout 2110/4 is specified as applicable in the applicable Final Terms:

(i) if at all times on each Observation Date during the Observation Period the Underlying Reference Level is less than the Upper Level:

(A) if Settlement Price Final is less than the Upper Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$

(B) if Settlement Price Final is equal to or greater than the Upper Level:

0 (zero); or

(ii) if at any time on an Observation Date during the Observation Period the Underlying Reference Level is equal to or greater than the Upper Level:

(A) if Settlement Price Final is less than or equal to the Lower Level:

$$\frac{\text{Upper Level} - \text{Lower Level}}{[\text{Parity} \times \text{Exchange Rate Final}]} ;$$

(B) if Settlement Price Final is greater than the Lower Level but less than the Upper Level:

$$\frac{\text{Upper Level} - \text{Settlement Price Final}}{[\text{Parity} \times \text{Exchange Rate Final}]} ; \text{ or}$$

(C) if Settlement Price Final is equal to or greater than the Upper Level:

0 (zero).

#### **Description of Payout**

*If the Underlying Reference Level is at all times less than the Upper Level and if the Settlement Price of the Underlying Reference on the Valuation Date is less than the Upper Level, then the Payout will equal the Upper Level less the Lower Level (divided by the product of the Exchange Rate and Parity). Otherwise if the Settlement Price of the Underlying Reference on the Valuation Date is equal to or greater than the Upper Level, then the Payout will equal zero and there will be no payment on redemption or exercise of the Securities. If the Underlying Reference Level has been at any time equal to or greater than the Upper Level, and if the Settlement Price of the Underlying Reference on the Valuation Date is less than the Upper Level, then the Payout will equal the Upper Level less the Settlement Price of the Underlying Reference on the Valuation Date, subject to a cap of the Upper Level less the Lower Level (divided by the product of the Exchange Rate and Parity). Otherwise, if the Settlement Price of the Underlying Reference on the Valuation Date is greater than or equal to the Upper Level, then the Payout will equal zero and there will be no payment on redemption or exercise of the Securities. The Upper Level and the Lower Level are levels which determine the maximum amount of the Payout and the different payout scenarios.*

#### **(cc) ETS Payout 2200/1**

If ETS Final Payout 2200/1 is specified as applicable in the applicable Final Terms:

(i) if the Securities are specified in the applicable Final Terms as being Call Securities:

$$\frac{\text{Max}(0; \text{Settlement Price Final} - \text{Strike Price})}{[\text{Parity} \times \text{Exchange Rate Final}]} .$$

(ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

$$\frac{\text{Max}(0; \text{Strike Price} - \text{Settlement Price Final})}{[\text{Parity} \times \text{Exchange Rate Final}]} .$$

#### **Description of the Payout**

*The Payout will be equal to (i) in the case of Call Securities, the excess (if any) of the Settlement Price on the Valuation Date over the Strike Price, or (ii) in the case of Put*

*Securities, the excess (if any) of the Strike Price over the Settlement Price on the Valuation Date, in each case divided by the product of the Exchange Rate and Parity.*

(dd) **ETS Final Payout 2200/2**

If ETS Final Payout 2200/2 is specified as applicable in the applicable Final Terms:

(i) if the Securities are specified in the applicable Final Terms as being Call Securities:

(A) if no Knock-in Event has occurred, 0 (zero); or

(B) if a Knock-in Event has occurred but no Knock-out Event has occurred:

$$\frac{\text{Max}(0; \text{Settlement Price Final} - \text{Strike Price})}{[\text{Parity} \times \text{Exchange Rate Final}]} \text{ ; or}$$

(ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

(A) if no Knock-in Event has occurred, 0 (zero); or

(B) if a Knock-in Event has occurred but no Knock-out Event has occurred:

$$\frac{\text{Max}(0; \text{Strike Price} - \text{Settlement Price Final})}{[\text{Parity} \times \text{Exchange Rate Final}]} .$$

**Description of the Payout**

*If no Knock-in event has occurred, the Payout equals zero. If a Knock-in event has occurred then the Payout will be equal to (i) in the case of Call Securities, the excess (if any) of the Settlement Price on the Valuation Date over the Strike Price, or (ii) in the case of Put Securities, the excess (if any) of the Strike Price over the Settlement Price on the Valuation Date, in each case divided by the product of the Exchange Rate and Parity.*

(ee) **ETS Final Payout 2210**

If ETS Final Payout 2210 is specified as applicable in the applicable Final Terms:

(i) if the Securities are specified in the applicable Final Terms as being Call Securities:

$$\text{Max} \left( 0; \left( \frac{\text{Final Price} - \text{Capitalised Exercise Price}}{\text{Parity} \times \text{Conversion Rate Final}} \right) \right) \text{ ; or}$$

(ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

$$\text{Max} \left( 0; \left( \frac{\text{Capitalised Exercise Price} - \text{Final Price}}{\text{Parity} \times \text{Conversion Rate Final}} \right) \right) .$$

**Description of the Payout**

*The Payout will be equal to (i) in the case of Call Securities, the excess (if any) of the Final Price over the Capitalised Exercise Price, or (ii) in the case of Put Securities, the excess (if any) of the Capitalised Exercise Price over the Final Price, in each case divided by the Conversion Rate and Parity.*

(ff) **ETS Final Payout 2300**

If ETS Final Payout 2300 is specified as applicable in the applicable Final Terms:

(i) in respect of a Bull Certificate, the Bull Cash Value on the relevant Valuation Date;  
or

(ii) in respect of a Bear Certificate, the Bear Cash Value on the relevant Valuation Date,

in each case, multiplied by the Exchange Rate on the relevant Valuation Date.

If in the determination of the Calculation Agent the last-traded price of the relevant Underlying Reference is at any time on any Exchange Business Day from and including the Issue Date (i) equal to or greater than the Reset Threshold (in the case of Bear Certificates) or (ii) equal to or less than the Reset Threshold (in the case of Bull Certificates) (a "**Reset Event**"), the Calculation Agent will calculate the Bull Cash Value or the Bear Cash Value, as the case may be, for such Certificate for such day using the relevant formula set out below except that (i) references to Bear Cash Value<sub>(t-1)</sub> or Bull Cash Value<sub>(t-1)</sub>, as the case may be, shall be deemed replaced by Cash Value<sub>(t-1)</sub><sup>Adjusted</sup> and (ii) Underlying Price<sub>(t-1)</sub> shall be deemed replaced by Reset Price.

Where:

"**Bear Cash Value**" means, in respect of an Exchange Business Day, an amount calculated by the Calculation Agent in accordance with the following formula:

$(\text{Bull Cash Value}_{(t-1)} \times (1 - \text{Underlying Performance}_{(t)} \times \text{Daily Leverage})) + \text{Financing Amount}_{(t)}$ ; and

"**Bull Cash Value**" means, in respect of an Exchange Business Day, an amount calculated by the Calculation Agent in accordance with the following formula:

$(\text{Bull Cash Value}_{(t-1)} \times (1 + \text{Underlying Performance}_{(t)} \times \text{Daily Leverage})) + \text{Financing Amount}_{(t)}$ .

### ***Description of the Payout***

*(i) Bull Certificates produce a performance over one day equal to Daily Leverage times the positive performance of the relevant Underlying Reference over that same day and (ii) Bear Certificates produce a performance over one day equal to Daily Leverage times the negative performance of the relevant Underlying Reference over that same day. In each case adjusted by the applicable Financing Amount. However, because the performance of the Certificates over any period longer than one day will be derived from the compounded daily performance of the Underlying Reference during that period, such Certificate's performance may differ significantly to the Daily Leverage times the overall performance of the Underlying Reference over that same period.*

## **1.2 Automatic Early Redemption Payouts**

If Automatic Early Redemption is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, the following Automatic Early Redemption payouts (each an "**Automatic Early Redemption Payout**") shall apply to the Securities if specified in the applicable Final Terms:

### **(a) Automatic Early Redemption Payout 2210/1**

If Automatic Early Redemption Payout 2210/1 is specified as applicable in the applicable Final Terms:

- (i) if the Securities are specified in the applicable Final Terms as being Call Securities:

$$\text{Max} \left( 0; \left( \frac{\text{Final Price Early} - \text{Capitalised Exercise Price}}{[\text{Parity} \times \text{Conversion Rate Early}]} \right) \right);$$

- (ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

$$\text{Max} \left( 0; \left( \frac{\text{Capitalised Exercise Price} - \text{Final Price Early}}{[\text{Parity} \times \text{Conversion Rate Early}]} \right) \right).$$

(b) **Automatic Early Redemption Payout 2210/2**

If Automatic Early Redemption Payout 2210/2 is specified as applicable in the applicable Final Terms, 0 (zero).

(c) **Automatic Early Redemption Payouts 1230/1, 1230/2, 1240/1, 1240/2, 1240/3, 1250/2, 1250/3, 1250/5, 1260/1, 1260/2, 1320/2, 1340/1 and 1340/2**

If Automatic Early Redemption Payouts 1230/1, 1230/2, 1240/1, 1240/2, 1240/3, 1250/2, 1250/3, 1250/5, 1260/1, 1260/2, 1320/2, 1340/1 or 1340/2 is specified as applicable in the applicable Final Terms:

$$[\text{Notional Amount}] \times [100\% + \text{Premium Percentage} \times i].$$

(d) **Automatic Early Redemption Payout 2200/1 and 2200/2**

If Automatic Early Redemption Payout 2200/1 or 2200/2 is specified as applicable in the applicable Final Terms, 0 (zero).

### 1.3 **Holder Put Option Payouts**

The following Holder Put Option Payouts (each a "**Put Payout**") shall apply to the Securities if specified in the applicable Final Terms:

(a) **Put Payout 2210**

If Put Payout 2210 is specified as applicable in the applicable Final Terms:

- (i) if the Securities are specified in the applicable Final Terms as being Call Securities:

$$\text{Max} \left( 0; \left( \frac{\text{Final Price Early} - \text{Capitalised Exercise Price}}{\text{Parity} \times \text{Conversion Rate Early}} \right) \right);$$

- (ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

$$\text{Max} \left( 0; \left( \frac{\text{Capitalised Exercise Price} - \text{Final Price Early}}{\text{Parity} \times \text{Conversion Rate Early}} \right) \right).$$

(b) **Put Payout 2300**

If Put Payout 2300 is specified as applicable in the applicable Final Terms, the Put Payout shall be calculated on the same basis as ETS Final Payout 2300, save that references to "Valuation Date" therein and in the related provisions shall be deemed to be references to "the relevant Optional Redemption Valuation Date".



#### 1.4 General Definitions for ETS Payouts

"**Barrier Level**" means the number or amount specified as such in the applicable Final Terms;

"**Bonus Level**" means the number or amount specified as such in the applicable Final Terms;

"**Bonus Level Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Cap Level**" means the number or amount specified as such in the applicable Final Terms;

"**Cap Level Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Conversion Rate Early**" means the Conversion Rate on (a) the Relevant Automatic Early Redemption Valuation Date or (b) the relevant Optional Redemption Valuation Date, as applicable;

"**Conversion Rate Final**" means the Conversion Rate on the Valuation Date;

"**Coupon Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Downside Participation Factor**" means the percentage specified as such in the applicable Final Terms;

"**Exchange Rate**" means, in respect of a day, the rate of exchange (including any rates of exchange pursuant to which the relevant rate of exchange is derived), between the currencies and from the source(s) and at the time in each case specified in the applicable Final Terms on such day;

"**Exchange Rate Early**" means the Exchange Rate on (a) the Relevant Automatic Early Redemption Valuation Date or (b) the relevant Optional Redemption Valuation Date, as applicable.

"**Exchange Rate Initial**" means the Exchange Rate on the Strike Date;

"**Exchange Rate Final**" means the Exchange Rate on the Valuation Date;

"**Express Amount**" means the amount specified as such in the applicable Final Terms;

"**i**" means the number specified as such in the applicable Final Terms;

"**L**" means the percentage specified as such in the applicable Final Terms;

"**Lower Level**" means the number or amount specified as such in the applicable Final Terms;

"**Maximum Payout Amount**" means the amount specified as such in the applicable Final Terms;

"**n**" means the number specified as such in the applicable Final Terms;

"**Observation Price Source**" means the source specified as such in the applicable Final Terms;

"**Parity**" means the number specified as such in the applicable Final Terms;

"**Participation Factor**" means the percentage specified as such in the applicable Final Terms;

"**Premium Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Protection Factor**" means the percentage specified as such in the applicable Final Terms;

"**Protection Level**" means the number specified as such in the applicable Final Terms;

**"Settlement Price Final"** means the Settlement Price on the Valuation Date;

**"Sprint Factor"** means the number specified as such in the applicable Final Terms;

**"Strike Price"** means (a) if the Securities are Certificates, the price, level or amount specified as such in the applicable Final Terms or (b) if the Securities are Warrants, the relevant Exercise Price;

**"Underlying Reference"** means, for the purposes of the ETS Payouts, each Index, Share, Commodity, Commodity Index, Subject Currency, Future or other basis of reference to which the relevant Securities relate;

**"Underlying Reference Initial"** means the number or amount specified as such in the applicable Final Terms;

**"Underlying Reference Level"** means, in respect of a time and a day (i) "official level", "last price", "bid price" or "asked price" of the Underlying Reference, as specified in the applicable Final Terms published by the Observation Price Source or (ii) if Standard Underlying Reference Level is specified as applicable in the applicable Final Terms (a) in the case of Share Securities and Futures Securities the price of the relevant Underlying Reference, (b) in the case of Index Securities, the level of the relevant Underlying Reference, (c) in the case of Commodity Securities, the Relevant Price (on the basis that such day is deemed to be a Pricing Date), or (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), in each case for such time on such day;

**"Upper Level"** means the number or amount specified as such in the applicable Final Terms;

**"Upside Participation Factor"** means the percentage specified as such in the applicable Final Terms.

## 1.5 Additional Definitions for ETS Final Payout 2300

**"Bear Cash Value<sub>(t-1)</sub>"** means, in respect of an Exchange Business Day, the Bear Cash Value for the immediately preceding Exchange Business Day provided that the Bear Cash Value<sub>(t-1)</sub> for the Issue Date is Bear Cash Value Initial;

**"Bear Cash Value Initial"** means the amount specified as such in the applicable Final Terms;

**"Bull Cash Value<sub>(t-1)</sub>"** means, in respect of an Exchange Business Day, the Bull Cash Value for the immediately preceding Exchange Business Day provided that the Bull Cash Value<sub>(t-1)</sub> for the Issue Date is Bull Cash Value Initial;

**"Bull Cash Value Initial"** means the amount specified as such in the applicable Final Terms;

**"Cash Value<sub>(t-1)</sub>"** means (i) in the case of a Bear Certificate, Bear Cash Value<sub>(t-1)</sub> and (ii) in the case of a Bull Certificate, Bull Cash Value<sub>(t-1)</sub>;

**"Cash Value<sub>(t-1)</sub><sup>Adjusted</sup>"** means an amount calculated by the Calculation Agent in accordance with the following formula:

$$(1 - \text{Daily Leverage} \times \text{Reset Percentage}) \times \text{Cash Value}_{(t-1)}.$$

Provided That the Cash Value<sub>(t-1)</sub><sup>Adjusted</sup> shall not be less than 0.5% x Cash Value<sub>(t-1)</sub>.

**"Constant Leverage Financing Rate<sub>(t)</sub>"** means, in respect of an Exchange Business Day, a rate calculated in accordance with the following formula:

(a) if the Securities are Rolling Futures Contract Securities:

Reference Interest Rate<sub>(t-1)</sub> – Fixed Interest Margin – Hedging Cost – Fee; or

(b) if the Securities are not Rolling Futures Contract Securities:

(i) in respect of a Bull Certificate:

$(1 - \text{Daily Leverage}) \times (\text{Reference Interest Rate}_{(t-1)} + \text{Fixed Interest Margin}) - \text{Daily Leverage} \times \text{Hedging Cost} - \text{Fee}$ ; or

(ii) in respect of a Bear Certificate:

$(1 + \text{Daily Leverage}) \times (\text{Reference Interest Rate}_{(t-1)} - \text{Fixed Interest Margin}) - \text{Daily Leverage} \times \text{Hedging Cost} - \text{Fee}$ .

**"Daily Leverage"** means the number, amount or percentage (which may be positive or negative) specified as such in the applicable Final Terms;

**"Fee"** means the percentage specified as such in the applicable Final Terms. Where the Securities are traded on the Italian regulated market organised and managed by Borsa Italiana, the level of the Fee could be revised downwards by the Calculation Agent. On the occurrence of such a revision, the new Fee will be notified by the Calculation Agent to Borsa Italiana and published on the website [www.prodottidiborsa.com](http://www.prodottidiborsa.com);

**"Financing Amount<sub>(t)</sub>"** means, in respect of an Exchange Business Day:

$\text{Cash Value}_{(t-1)} \times \text{Constant Leverage Financing Rate}_{(t)} \times \text{Rate Period}$

**"Fixed Interest Margin"** means the percentage specified as such in the applicable Final Terms;

**"Hedging Cost"** means the percentage or amount specified as such in the applicable Final Terms. If at any time after the Issue Date the cost of hedging the Certificates materially exceeds such specified percentage, the Calculation Agent may increase the Hedging Cost to reflect this change save that the Hedging Cost will not exceed the Maximum Hedging Cost. If the Securities are traded on the Italian regulated market organised and managed by Borsa Italiana and the Hedging Cost is amended as provided above, the new Hedging Cost will be notified by the Calculation Agent to Borsa Italiana and published on the website [www.prodottidiborsa.com](http://www.prodottidiborsa.com);

**"Maximum Hedging Cost"** means the percentage specified as such in the applicable Final Terms;

**"Rate Period"** means the number of calendar days from but excluding such Exchange Business Day to and including the immediately preceding Exchange Business Day or, if such immediately preceding Exchange Business Day falls earlier than the Issue Date, the Issue Date, divided by 360;

**"Reference Interest Rate<sub>(t-1)</sub>"** means rate specified as the Reference Interest Rate in the applicable Final Terms in respect of the immediately preceding Exchange Business Day or, if such immediately preceding Exchange Business Day falls earlier than the Issue Date, the Issue Date;

**"Reset Percentage"** means the difference between the Reset Price and the Underlying Price<sub>(t-1)</sub> expressed as a positive percentage;

**"Reset Price"** means the price of the relevant Underlying Reference, determined by the Calculation Agent on the basis of the price obtained by unwinding any underlying related hedging arrangements in respect of the relevant Certificate during the three-hour period immediately following the occurrence of a Reset Event. The three-hour period shall be counted during the opening hours of the relevant Exchange. Accordingly, if the period between the occurrence of the Reset Event and the official closing time of the relevant Exchange is less than three hours, then the period shall extend to the following Relevant Business Day, until a full period of three hours has passed since the occurrence of the Reset Event;

**"Reset Threshold"** means, in respect of an Exchange Business Day, an amount calculated by the Calculation Agent in accordance with the following formula:

(a) in respect of a Bear Certificate:

$$(1 + \text{Reset Threshold Percentage}) \times \text{Underlying Price}_{(t-1)}; \text{ or}$$

(b) in respect of a Bull Certificate:

$$(1 - \text{Reset Threshold Percentage}) \times \text{Underlying Price}_{(t-1)}$$

**"Reset Threshold Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Underlying Performance<sub>(t)</sub>"** means, in respect of an Exchange Business Day, an amount calculated by the Calculation Agent in accordance with the following formula:

$$\text{Underlying Price}_{(t)} / \text{Underlying Price}_{(t-1)} - 1.$$

**"Underlying Price<sub>(t)</sub>"** is (a) the Settlement Price on the relevant Exchange Business Day plus (b) if the Underlying Reference is a Share or an Index, the Securities are not Rolling Futures Contract Securities and such Exchange Business Day is an Ex-Dividend Date for such Underlying Reference, the Dividend Adjustment Amount;

**"Underlying Price<sub>(t-1)</sub>"** is (a) the Settlement Price on the Exchange Business Day immediately preceding such Exchange Business Day plus (b) if the Securities are Rolling Futures Contract Securities and the relevant Exchange Business Day is a Futures Rollover Date, the Futures Rollover Adjustment Amount.

## 2. SPS INTEREST/PREMIUM AMOUNT RATES, PAYOUTS AND ENTITLEMENT AMOUNTS

### 2.1 SPS Interest / Premium Amount Rates

The following Rate of Interest or Premium Amount Rate will apply to the Securities if specified in the applicable Final Terms:

(a) **SPS Fixed Coupon**

If SPS Fixed Coupon is specified as applicable in the applicable Final Terms:

Rate<sub>(i)</sub>;

#### *Description of Interest / Premium Amount Rate*

*A SPS Fixed Coupon provides that the Securities bear or pay interest or premium amount at a specified rate for the relevant period.*

(b) **Digital Coupon**

If Digital Coupon is specified as applicable in the applicable Final Terms:

- (i) If the Digital Coupon Condition is satisfied in respect of SPS Coupon Valuation Date<sub>(i)</sub> or SPS Coupon Valuation Period<sub>(i)</sub>, as applicable:

Rate<sub>(i)</sub>; or

- (ii) if the Digital Coupon Condition is not satisfied in respect of SPS Coupon Valuation Date<sub>(i)</sub> or SPS Coupon Valuation Period<sub>(i)</sub>, as applicable:

zero.

***Description of Interest / Premium Amount Rate***

*A Digital Coupon provides that the Securities bear or pay interest or premium amount at a specified rate for the relevant period if a specified condition is met. If the condition is not met then the Securities will pay no interest or premium amount for that period.*

(c) **Snowball Digital Coupon**

If Snowball Digital Coupon is specified as applicable in the applicable Final Terms:

- (i) if the Snowball Digital Coupon Condition is satisfied in respect of SPS Coupon Valuation Date<sub>(i)</sub>:

Rate<sub>(i)</sub> + SumRate<sub>(i)</sub>

Where "Sum Rate<sub>(i)</sub>" means the sum of Rate<sub>(i)</sub> for each SPS Coupon Valuation Date since (but not including) the last occurring Snowball Date (or if none the Issue Date); or

- (ii) if the Snowball Digital Coupon Condition is not satisfied in respect of SPS Coupon Valuation Date<sub>(i)</sub>:

zero.

***Description of Interest / Premium Amount Rate***

*A Snowball Digital Coupon provides that the Securities bear or pay interest or premium amount on the basis of a Digital Coupon Condition but with a memory effect. Any interest or premium amount not paid in respect of a period may be paid at a later date if certain conditions are met.*

(d) **Accrual Digital Coupon**

If Accrual Digital Coupon is specified as applicable in the applicable Final Terms:

Rate<sub>(i)</sub> x (n / N)

Where:

"n" is the number of AC Digital Days in the relevant Calculation Period in respect of the relevant SPS Coupon Valuation Date on which the AC Digital Coupon Condition is satisfied; and

"N" is the number of AC Digital Days in the relevant Calculation Period in respect of the relevant SPS Coupon Valuation Date.

***Description of Interest / Premium Amount Rate***

*An Accrual Digital Coupon provides that the Securities bear or pay interest or premium amount on the basis of a rate calculated by reference to the number of AC Digital Days on which a specified condition is satisfied in the relevant period.*

(e) **Stellar Coupon**

If Stellar Coupon is specified as applicable in the applicable Final Terms:

$$\text{Max} (\text{Min Coupon}(i), \frac{1}{K} \sum_{k=1}^K \text{Max} [\text{Floor Percentage}(i), \text{Min} (\text{Cap Percentage}(i), \text{Coupon Value} (i, k))]) - \text{Strike Percentage}(i))$$

***Description of Interest / Premium Amount Rate***

*A Stellar Coupon provides that the Securities bear or pay interest or premium amount, in respect of the relevant period on the basis of a rate calculated by reference to a basket of Underlying References with the value of each Underlying Reference being subject to a cap and a floor. The rate is also subject to a floor.*

(f) **Cappuccino Coupon**

If Cappuccino Coupon is specified as applicable in the applicable Final Terms:

$$\text{Max} (\text{Min Coupon}(i), \frac{1}{K} \times \sum_{k=1}^K [\text{Max} (\text{Floor Percentage}(i), \text{Barrier Value}(i, k))]) - \text{Strike Percentage}(i))$$

Where "**Barrier Value**" is:

- (i) if the Barrier Condition for the relevant Underlying Reference is satisfied in respect of the relevant SPS Coupon Valuation Date:

Cap Percentage<sub>(i)</sub> ; or

- (ii) if the Barrier Condition for the relevant Underlying Reference is not satisfied in respect of the relevant SPS Coupon Valuation Date:

Coupon Value<sub>(i,k)</sub> .

***Description of Interest / Premium Amount Rate***

*A Cappuccino Coupon provides that the Securities bear or pay interest or premium amount on the basis of a rate calculated by reference to the average value of a basket of Underlying References where each value is floored and may be set at a fixed percentage (the Cap Percentage) if certain conditions are met.*

(g) **Ratchet Coupon**

If Ratchet Coupon is specified as applicable in the applicable Final Terms:

- (i) if Local Cap Percentage is specified as not applicable in the applicable Final Terms:

$$\text{Max} \left[ \sum_{q \text{ in } Q_{(i)}} \text{Max} \left( \text{Coupon Value}(q) - \text{Strike Percentage}_{(i)}, \text{Local Floor Percentage}_{(i)} \right), \text{Global Floor Percentage}_{(i)} \right]$$

- (ii) if Local Cap Percentage is specified as applicable in the applicable Final Terms:

$$\text{Max} \left[ \sum_{q \text{ in } Q_{(i)}} \text{Max} \left( \text{Min} \left( \text{Coupon Value}(q) - \text{Strike Percentage}_{(i)}, \text{Local Cap Percentage}_{(i)} \right), \text{Local Floor Percentage}_{(i)} \right), \text{Global Floor Percentage}_{(i)} \right]$$

**Description of Interest / Premium Amount Rate**

*A Ratchet Coupon provides that the Securities bear or pay interest or premium amount in respect of the relevant period on the basis of a rate calculated by reference to the sum of two or more rates, in each case subject to a floor and if applicable a cap.*

(h) **Driver Coupon**

If Driver Coupon is specified as applicable in the applicable Final Terms:

$$\text{Max} \left( \text{Min Coupon}(i), \frac{1}{K} \sum_{k=1}^K \text{Max} \left( \text{Floor Percentage}(i), \text{Modified Value}(i,k) \right) - \text{Strike Percentage}(i) \right)$$

Where:

"**Modified Value(i,k)**" is:

- (i) if the Coupon Value(i,k) is one of the nfixed greatest value in the basket of the Underlying References:

Driver Percentage; or

- (ii) otherwise:

Coupon Value(i,k) .

**Description of Interest / Premium Amount Rate**

*A Driver Coupon provides that the Securities bear or pay interest or premium amount in respect of the relevant period on the basis of a rate calculated by reference to the average performance of a basket of Underlying References with the Underlying Reference with the "nfixed" highest value being replaced by a fixed percentage (the Driver Percentage).*

(i) **Sum Coupon**

If Sum Coupon is specified in the applicable Final Terms:

$$\sum_{a=1}^A (CW_a(i) \times \text{Additional Coupon}_a(i)),$$

where "CW" is the relevant Coupon Weighting; and

"A" is the number specified as such in the applicable Final Terms.

***Description of Interest / Premium Amount Rate***

*A Sum Coupon provides that the Securities bear or pay interest or premium amount in respect of the relevant period on the basis of a rate calculated as the weighted sum of two or more interest / premium amount rates provided in the Conditions and specified in the applicable Final Terms.*

(j) **Option Max Coupon**

If Option Max Coupon is specified as applicable in the applicable Final Terms:

$$\text{Max}_{a=1}^A ([\text{Additional Coupon}(i)]_a).$$

where "A" is the number specified as such in the applicable Final Terms.

***Description of Interest / Premium Amount Rate***

*An Option Max Coupon provides that the Securities bear or pay interest or premium amount in respect of the relevant period on the basis of a rate calculated as the maximum of two or more interest / premium amount rates provided in the Conditions and specified in the applicable Final Terms.*

## 2.2 **SPS Final Payouts**

The following final payouts which when multiplied by the applicable NA (each a "**Final Payout**") will apply to the Securities if specified in the applicable Final Terms:

(a) **SPS Fixed Percentage Securities**

If the Securities are specified in the applicable Final Terms as being SPS Fixed Percentage Securities:

Constant Percentage 1

***Description of Payout***

*The Payout comprises a fixed percentage equal to the Constant Percentage 1*

(b) **SPS Reverse Convertible Securities**

(i) **SPS Reverse Convertible Securities**

If the Securities are specified in the applicable Final Terms as being SPS Reverse Convertible Securities:

(A) if no Knock-in Event has occurred:



Constant Percentage 1 ; or

(B) if a Knock-in Event has occurred:

Max (Constant Percentage 2 + Gearing x Option; 0%)

Where:

**"Option"** means Put, Put Spread, EDS or Forward as specified in the applicable Final Terms;

**"EDS"** means Max (Floor Percentage, Min (Constant Percentage 3 – nEDS × Loss Percentage, 0%));

**"nEDS"** means the number of Underlying Reference(s) in the Basket in respect of which the Final Redemption Value is (i) less than or equal to or (ii) less than, as specified in the applicable Final Terms, EDS Barrier Percentage;

**"Forward"** means Final Redemption Value – Strike Percentage;

**"Put"** means Max (Strike Percentage – Final Redemption Value; 0); and

**"Put Spread"** means Min (Max (Strike Percentage – Final Redemption Value; 0); Cap Percentage),

Provided That (aa) if the provisions of sub-paragraph (A) of this Payout Condition 2.2(b)(i) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Payout Condition 2.2(b)(i) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount or Redemption Amount, as applicable, will be payable and Physical Delivery will apply.

### ***Description of Payout***

*The Payout comprises:*

- *if no Knock-in Event has occurred, a fixed percentage equal to the Constant Percentage 1;*
- *if a Knock-in Event has occurred and Option is Put or Put Spread indexation to the value of the Underlying Reference(s) up to the Strike Percentage; or*
- *if a Knock-in Event has occurred and Option is Forward, indexation to the value of the Underlying Reference(s); or*
- *If a Knock-in Event has occurred and Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage. When Gearing is positive the higher the number of Underlying References with a value above this barrier the higher the Percentage.*
- *Physical Delivery may also apply.*

(ii) **SPS Reverse Convertible Standard Securities**

If the Securities are specified in the applicable Final Terms as being SPS Reverse Convertible Standard Securities:

- (A) if no Knock-in Event has occurred:  
100%; or
- (B) if a Knock-in Event has occurred:  
Min (100%, Final Redemption Value).

***Description of Payout***

*The Payout comprises:*

- *if no Knock-in Event has occurred, 100 per cent.; or*
- *if a Knock-in Event has occurred, the minimum of 100 per cent. and indexation to the value of the Underlying Reference(s).*

(c) **SPS Vanilla Products**

(i) **Vanilla Call Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Call Securities:

$\text{Constant Percentage 1} + \text{Gearing} * \text{Max} \left( \text{Final Redemption Value} - \text{Strike Percentage, Floor Percentage} \right)$

***Description of Payout***

*The Payout comprises:*

- *if Gearing is positive, a fixed percentage equal to Constant Percentage 1 or, if Gearing is negative, no fixed percentage; and*
- *indexation to the value of the Underlying Reference(s) above the Strike Percentage.*

(ii) **Vanilla Call Spread Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Call Spread Securities:

$\text{Constant Percentage 1} + \text{Gearing} * \text{Min} \left( \text{Max} \left( \text{Final Redemption Value} - \text{Strike Percentage; Floor Percentage} \right), \text{Cap Percentage} \right)$

***Description of Payout***

*The Payout comprises:*

- *if Gearing is positive, a fixed percentage equal to Constant Percentage 1 or, if Gearing is negative, no fixed percentage; and*

- *indexation to the value of the Underlying Reference(s) above the Strike Percentage up to a maximum level. The maximum level is equal to the Cap Percentage.*

(iii) **Vanilla Put Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Put Securities:

Constant Percentage  $1 + \text{Gearing} * \text{Max} (\text{Strike Percentage} - \text{Final Redemption Value}; 0)$

**Description of Payout**

*The Payout comprises:*

- *if Gearing is positive a fixed percentage equal to Constant Percentage or if Gearing is negative, no fixed percentage; and*
- *indexation to the value of the Underlying Reference(s) below the Strike Percentage.*

(iv) **Vanilla Put Spread Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Put Spread Securities:

Constant Percentage  $1 + \text{Gearing} * \text{Min} (\text{Max} (\text{Strike Percentage} - \text{Final Redemption Value}; 0); \text{Cap Percentage})$

**Description of Payout**

*The Payout comprises:*

- *if Gearing is positive a fixed percentage equal to Constant Percentage 1 or, if Gearing is negative, no fixed percentage; and*
- *indexation to the value of the Underlying Reference(s) below the Strike Percentage up to a maximum level. The maximum level is equal to the Cap Percentage.*

(v) **Vanilla Digital Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Digital Securities:

- (A) if a Knock-in Event has occurred:

Constant Percentage  $1 + \text{Bonus Coupon}$  ; or

- (B) if no Knock-in Event has occurred:

Constant Percentage 2 .

**Description of Payout**

*The Payout comprises:*

- *a fixed percentage; and*
- *if a Knock-in Event has occurred, the Bonus Coupon.*

(vi) **Knock-in Vanilla Call Securities**

If the Securities are specified in the applicable Final Terms as being Knock-in Vanilla Call Securities:

(A) if a Knock-in Event has occurred:

$\text{Constant Percentage 1} + \text{Gearing} * \text{Max} \left( \text{Final Redemption Value} - \text{Strike Percentage, Floor Percentage} \right)$   
; or

(B) if no Knock-in Event has occurred:

Constant Percentage 2 .

**Description of Payout**

*The Payout comprises:*

- *a fixed percentage; and*
- *if a Knock-in Event has occurred, indexation to the value of the Underlying Reference(s) above the Strike Percentage.*

(vii) **Knock-out Vanilla Call Securities**

If the Securities are specified in the applicable Final Terms as being Knock-out Vanilla Call Securities:

(A) if no Knock-out Event has occurred:

$\text{Constant Percentage 1} + \text{Gearing} * \text{Max} \left( \text{Final Redemption Value} - \text{Strike Percentage, Floor Percentage} \right)$   
; or

(B) if a Knock-out Event has occurred:

Constant Percentage 2 .

**Description of Payout**

*The Payout comprises:*

- *a fixed percentage; and*
- *if no Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) above the Strike Percentage.*

(d) **Asianing Products**

(i) **Asian Securities**

If the Securities are specified in the applicable Final Terms as being Asian Securities:

If Asian Local Cap is specified as applicable then:

$$\text{Constant Percentage 1 + Gearing} * \text{Max}\left(\frac{1}{\text{Total M}} \times \sum_{(i)}^M (\text{Min}(\text{Max}(\text{Final Redemption Value (i)} - \text{Strike Percentage (i)}, \text{Local Floor Percentage (i)})), \text{Local Cap Percentage (i)})), \text{Floor Percentage})\right)$$

If Asian Local Cap is specified as not applicable:

$$\text{Constant Percentage 1 + Gearing} * \text{Max}\left(\frac{1}{\text{Total M}} \times \sum_{(i)}^M (\text{Max}(\text{Final Redemption Value}_{(i)} - \text{Strike Percentage}_{(i)}, \text{Local Floor Percentage}_{(i)})), \text{Floor Percentage})\right)$$

### ***Description of Payout***

*The Payout comprises:*

- *a fixed percentage equal to Constant Percentage 1; and*
- *indexation to the average value of the Underlying Reference(s) when the average value is above the Strike Percentage.*

### **(ii) Asian Spread Securities**

If the Securities are specified in the applicable Final Terms as being Asian Spread Securities:

If the Securities are specified in the applicable Final Terms as being Asian Spread Securities:

If Asian Local Cap is specified as applicable then:

$$\text{Constant Percentage 1 + Gearing} * \text{Min}\left(\text{Max}\left(\frac{1}{\text{Total M}} \times \sum_{(i)}^M (\text{Min}(\text{Max}(\text{Final Redemption Value}_{(i)} - \text{Strike Percentage}_{(i)}, \text{Local Floor Percentage}_{(i)})), \text{Local Cap Percentage}_{(i)})), \text{Floor Percentage}\right); \text{Cap Percentage}\right)$$

If Asian Local Cap is specified as not applicable:

$$\text{Constant Percentage 1 + Gearing} * \text{Min}\left(\text{Max}\left(\frac{1}{\text{Total M}} \times \sum_{(i)}^M (\text{Max}(\text{Final Redemption Value}_{(i)} - \text{Strike Percentage}_{(i)}, \text{Local Floor Percentage}_{(i)})), \text{Floor Percentage}\right); \text{Cap Percentage}\right)$$

### ***Description of Payout***

*The Payout comprises:*

- *a fixed percentage equal to Constant Percentage 1; and*

- *indexation to the average value of the Underlying Reference(s) up to a maximum level if the average value is above the Strike Percentage. The maximum level is equal to the Cap Percentage.*

(iii) **Himalaya Securities**

If the Securities are specified in the applicable Final Terms as being Himalaya Securities:

$$\text{Constant Percentage 1} + \text{Gearing} * \text{Max} \left( \frac{1}{\text{Total M}} \times \sum_{(i)}^M \max (\text{BestLockValue}_{(i)} - \text{Strike Percentage}_{(i)}, \text{Local Floor Percentage}_{(i)}), 0 \right)$$

Where:

"**BestLockValue<sub>(i)</sub>**" means the highest Underlying Reference Value on SPS Valuation Date<sub>(i)</sub> of the Underlying Reference(s) in Relevant Basket<sub>(i)</sub>; and

"**Relevant Basket<sub>(i)</sub>**" means, in respect of SPS Valuation Date<sub>(i)</sub>, a Basket comprising each Underlying Reference in Relevant Basket<sub>(i-1)</sub> but excluding the Underlying Reference in relation to BestLockValue<sub>(i-1)</sub>.

Relevant Basket<sub>(i=1)</sub> will be set out in the applicable Final Terms.

**Description of Payout**

*The Payout comprises:*

- *a fixed percentage equal to Constant Percentage 1;*
- *average indexation to the Underlying References above the Strike Percentage in accordance with the selection criteria on each Valuation Date where the Value of the best performing Underlying Reference in the Basket is calculated and then removed from the Basket for the following Valuation Dates, the Payout providing indexation to the average of those calculated Values (the BestLockValues) above the Strike Percentage.*

(e) **Auto-Callable Products**

(i) **Autocall Securities**

If the Securities are specified in the applicable Final Terms as being Autocall Securities:

(A) if the Final Redemption Condition is satisfied:

Constant Percentage 1 + FR Exit Rate ; or

(B) if the Final Redemption Condition is not satisfied and no Knock-in Event has occurred:

Constant Percentage 2 + Coupon Airbag Percentage ; or

- (C) if the Final Redemption Condition is not satisfied and a Knock-in Event has occurred:

$$\text{Max} \left( \text{Constant Percentage 3} + \text{Gearing} \times \text{Option}; 0\% \right)$$

where:

**"Option"** means Put, Put Spread, EDS or Forward as specified in the applicable Final Terms;

**"EDS"** means  $\text{Max} (\text{Floor Percentage}, \text{Min} (\text{Constant Percentage 4} - \text{nEDS} \times \text{Loss Percentage}, 0\%));$

**"Forward"** means  $\text{Final Redemption Value} - \text{Strike Percentage};$

**"nEDS"** means the number of underlying Reference(s) in the Basket in respect of which the relevant Final Redemption Value is (i) less than or equal to or (ii) less than, as specified in the applicable Final Terms, the EDS Barrier Percentage;

**"Put"** means  $\text{Max}(\text{Strike Percentage} - \text{Final Redemption Value}; 0);$  and

**"Put Spread"** means  $\text{Min} (\text{Max} (\text{Strike Percentage} - \text{Final Redemption Value}; 0); \text{Cap Percentage}),$

Provided That (aa) if the provisions of sub-paragraph (A) of this Payout Condition 2.2(e)(i) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Payout Condition 2.2(e)(i) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms or (cc) if the provisions of sub-paragraph (C) of this Payout Condition 2.2(e)(i) apply and Physical Delivery Option 3 is specified as applicable in the applicable Final Terms, no Cash Settlement Amount or Redemption Amount, as applicable, will be payable and Physical Delivery will apply.

#### ***Description of Payout***

*The Payout comprises:*

- *if the Final Redemption Condition is satisfied, a fixed percentage plus a final exit rate (equal to the FR Exit Rate);*
- *if the Final Redemption Condition is not satisfied and no Knock-In Event has occurred, a fixed percentage (that may differ from the above fixed percentage);*
- *if the Final Redemption Condition is not satisfied, a Knock-In Event has occurred and Option is Put or Put Spread no fixed percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage; or*
- *if the Final Redemption Condition is not satisfied, a Knock-in Event has occurred and Option is Forward, no fixed percentage and indexation to the value of the Underlying Reference(s); or*

- *if the Final Redemption Condition is not satisfied, a Knock-in Event has occurred and Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage.*
- *Physical Delivery may also apply.*

(ii) **Autocall One Touch Securities**

If the Securities are specified in the applicable Final Terms as being Autocall One Touch Securities:

- (A) if the Final Redemption Condition is satisfied:
- Constant Percentage1 + FR Exit Rate ;
- (B) if the Final Redemption Condition is not satisfied and a Knock-out Event has occurred:
- Constant Percentage 2 + Coupon Airbag Percentage 1 ; or
- (C) if the Final Redemption Condition is not satisfied, no Knock-out Event has occurred and no Knock-in Event has occurred:
- Constant Percentage 3 + Coupon Airbag Percentage 2 ; or
- (D) if the Final Redemption Condition is not satisfied and if no Knock-out Event has occurred but a Knock-in Event has occurred:
- $\text{Max} \left( \text{Constant Percentage 4} + \text{Gearing} \times \text{Option}; 0\% \right)$

where:

**"Option"** means Put, Put Spread or Forward as specified in the applicable Final Terms;

**"Forward"** means Final Redemption Value – Strike Percentage;

**"Put"** means  $\text{Max} (\text{Strike Percentage} - \text{Final Redemption Value}; 0)$ ; and

**"Put Spread"** means  $\text{Min} (\text{Max} (\text{Strike Percentage} - \text{Final Redemption Value}; 0); \text{Cap Percentage})$ .

***Description of Payout***

*The Payout comprises:*

- *if the Final Redemption Condition is satisfied, a fixed percentage plus a final exit rate (equal to the FR Exit Rate);*
- *if the Final Redemption Condition is not satisfied and a Knock-Out Event has occurred, a fixed percentage (that may differ from the above fixed percentage);*



- *if the Final Redemption Condition is not satisfied and no Knock-Out Event and no Knock-In Event has occurred, a fixed percentage (that may differ from the above fixed percentages); or*
- *if the Final Redemption Condition is not satisfied and no Knock-Out Event has occurred but a Knock-In Event has occurred, if Option is Put or Put Spread no fixed percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage; or if Option is Forward, no fixed percentage and indexation to the value of the Underlying Reference(s).*

(iii) **Autocall Standard Securities**

If the Securities are specified in the applicable Final Terms as Autocall Standard Securities:

- (A) If FR Barrier Value is greater than or equal to the Final Redemption Condition Level:

100% + FR Exit Rate; or

- (B) If FR Barrier Value is less than the Final Redemption Condition Level and no Knock-in Event has occurred:

100% + Coupon Airbag Percentage; or

- (C) If FR Barrier Value is less than the Final Redemption Condition Level and a Knock-in Event has occurred:

Min (100%, Final Redemption Value).

***Description of the Payout***

*The Payout comprises:*

- *if the FR Barrier Value on the SPS FR Barrier Valuation Date is equal to or greater than the Final Condition Level, 100 per cent. plus a final exit rate (equal to the FR Exit Rate);*
- *if the FR Barrier Value on the SPS FR Barrier Valuation Date is less than the Final Redemption Condition Level and no Knock-in Event has occurred, 100 per cent. plus a fixed percentage; or*
- *if the FR Barrier Value on the SPS FR Barrier Valuation Date is less than the Final Redemption Condition Level and a Knock-in Event has occurred, the minimum of 100 per cent. and indexation to the value of the Underlying Reference(s).*

(f) **Indexation Products**

(i) **Certi plus: Booster Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Booster Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

Constant Percentage 1 + [Final Redemption Value + Additional Gearing x  
Max (Final Redemption Value - Strike Percentage, 0)]

(B) if Cap is specified as applicable in the applicable Final Terms:

Constant Percentage 1 + Min [Final Redemption Value + Additional Gearing x  
Max [(Final Redemption Value - Strike Percentage, 0), Cap Percentage]]

***Description of Payout***

*If Cap is specified as not applicable the Payout comprises:*

- *indexation to the value of the Underlying Reference(s); and*
- *additional indexation to the value of the Underlying Reference(s) above the Strike Percentage.*

*If Cap is specified as applicable the Payout provides a limited maximum upside and comprises:*

- *indexation to the value of the Underlying Reference(s); and*
- *additional indexation to the value of the Underlying Reference(s) above the Strike Percentage;*
- *subject to a cap of the Cap Percentage.*

(ii) **Certi plus: Bonus Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Bonus Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Constant Percentage 1 + (Down Final Redemption Value); or

(y) if no Knock-out Event has occurred:

Constant Percentage 1 + [Max (Bonus Percentage, Up Final Redemption Value)]

.

(B) if Cap is specified as applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Constant Percentage 1 + [Down Final Redemption Value - Max  
(Down Final Redemption Value - Cap Percentage, 0)] ; or

(y) if no Knock-out Event has occurred:

Constant Percentage 1 + [Max (Bonus Percentage, Up Final Redemption Value) - Max (Up Final Redemption Value - Cap Percentage, 0)]

### **Description of Payout**

*If Cap is specified as not applicable the Payout comprises:*

- *if no Knock-out Event has occurred, a minimum percentage and indexation to the value of the Underlying Reference(s) above the Bonus Percentage; or*
- *if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) (this value may differ from the above value).*

*If Cap is specified as applicable the Payout provides limited maximum upside and comprises:*

- *if no Knock-out Event has occurred, a minimum percentage and indexation to the value of the Underlying Reference(s) above the Bonus Percentage up to a maximum level. The maximum level is equal to the Cap Percentage; or*
- *if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) (this value may differ from the above value) up to a maximum level equal to the Cap Percentage.*

### **(iii) Certi plus: Leveraged Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Leveraged Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Constant Percentage 1 + [Final Redemption Value + Additional Gearing x Max (Final Redemption Value - Strike Percentage, 0) ]

; or

(y) if no Knock-out Event has occurred:

Constant Percentage 1 + (Max(100%, 100% + (1 + Additional Gearing) x (Final Redemption Value - Strike Percentage)))

(B) if Cap is specified as applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Constant Percentage 1 + Min [Cap Percentage, [Final Redemption Value + Additional Gearing x Max (Final Redemption Value - Strike Percentage, 0)]] ; or

(y) if no Knock-out Event has occurred:

Constant Percentage 1 + Min [Cap Percentage, [Max (100%, 100% + (1 + Additional Gearing) x (Final Redemption Value - Strike Percentage))]]

### **Description of Payout**

*If Cap is specified as not applicable the Payout comprises:*

- *if no Knock-out Event has occurred, a minimum percentage and leveraged indexation to the value of the Underlying Reference(s) above the Strike Percentage; or*
- *if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) plus additional indexation to the value of the Underlying Reference(s) above the Strike Percentage.*

*If Cap is specified as applicable the Payout provides limited maximum upside and comprises:*

- *if no Knock-out Event has occurred, a minimum percentage and leveraged indexation to the value of the Underlying Reference(s) above the Strike Percentage up to a maximum level equal to the Cap Percentage; or*
- *if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) plus additional indexation to the value of the Underlying Reference(s) above the Strike Percentage. The aggregate indexation is limited to a maximum level equal to the Cap Percentage.*

#### **(iv) Certi plus: Twin Win Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Twin Win Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Constant Percentage 1 + Max [0, Gear Down \* Final Redemption Value]; or

(y) if no Knock-out Event has occurred:

Constant Percentage 2 + Max [Max  
(Gear up 1 \* (Strike Percentage - Final Redemption Value),  
Gear up 2 \* (Final Redemption Value - Strike Percentage)), Floor Percentage]

(B) if Cap is specified as applicable in the applicable Final Terms:

(x) if a Knock-out Event has occurred:

Constant Percentage 1 + [Min (Cap Percentage, Gear Down \*  
Final Redemption Value)]; or

(y) if no Knock-out Event has occurred:

Constant Percentage 2 + Max [Max (Gear up 1 \* (Strike Percentage -  
Final Redemption Value), Min (Cap Percentage - Strike Percentage, Gear up 2 \*  
(Final Redemption Value - Strike Percentage))), Floor Percentage]

### **Description of Payout**

*If Cap is specified as not applicable the Payout comprises:*

- *if no Knock-out Event has occurred, a minimum percentage, indexation to the value of the Underlying Reference(s) above the Strike Percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage in absolute terms; or*
- *if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s).*

*If Cap is specified as applicable the Payout comprises:*

- *if no Knock-out Event has occurred, a minimum percentage, indexation to the value of the Underlying Reference(s) above the Strike Percentage and up to a maximum level equal to the Cap Percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage in absolute terms; or*
- *if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) up to a maximum level equal to the Cap Percentage.*

#### **(v) Certi plus: Super Sprinter Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Super Sprinter Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

(x) if a Knock-in Event has occurred:

$\text{Constant Percentage} \times 1 + \text{Final Redemption Value} + \text{Additional Gearing} \times \text{Max}(\text{Final Redemption Value} - \text{Strike Percentage}, 0)$  ; or

(y) if no Knock-in Event has occurred:

$\text{Constant Percentage} \times 1 + \text{Final Redemption Value}$  .

(B) if Cap is specified as applicable in the applicable Final Terms:

(x) if a Knock-in Event has occurred:

$\text{Constant Percentage} \times 1 + [\text{Min}(\text{Cap Percentage}, \text{Final Redemption Value} + \text{Additional Gearing} \times \text{Max}(\text{Final Redemption Value} - \text{Strike Percentage}, 0))]$  ; or

(y) if no Knock-in Event has occurred:

$\text{Constant Percentage} \times 1 + [\text{Min}(\text{Cap Percentage}, \text{Final Redemption Value})]$  .

### **Description of Payout**

*If Cap is specified as not applicable the Payout comprises:*

- *indexation to the value of the Underlying Reference(s); and*

- *if a Knock-in Event occurs, additional indexation to the value of the Underlying Reference(s) above the Strike Percentage.*

*If Cap is specified as applicable the Payout provides a limited maximum upside and comprises:*

- *indexation to the value of the Underlying Reference(s) up to a maximum level;*
- *if a Knock-in Event has occurred, additional indexation to the value of the Underlying Reference(s) above the Strike Percentage up to a maximum level; and*
- *a maximum payout equal to Constant Percentage 1 plus the Cap Percentage.*

(vi) **Certi plus: Generic Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Generic Securities:

Constant Percentage 1 + Gearing Up × Option Up + Gearing Down × Option Down

where:

**"Option Up"** means Call or Call Spread as specified in the applicable Final Terms;

**"Call"** means Max (Up Final Redemption Value – Up Strike Percentage; 0);

**"Call Spread"** means Min (Max (Up Final Redemption Value – Up Strike Percentage; 0); Up Cap Percentage);

**"Option Down"** means Put or Put Spread as specified in the applicable Final Terms;

**"Put"** means Max (Down Strike Percentage – Down Final Redemption Value; 0); and

**"Put Spread"** means Min (Max (Down Strike Percentage – Down Final Redemption Value; 0); Down Cap Percentage).

***Description of the Payout***

*The Payout provides no guarantee of a fixed percentage and comprises:*

- *indexation to the value of the Underlying Reference(s) above the Up Strike Percentage (subject to a maximum level when Option Up is Call Spread); and*
- *indexation to the value (this value may differ from the value above) of the Underlying Reference(s) below the Down Strike Percentage (subject to a minimum level when Option Down is Put Spread).*

(vii) **Certi plus: Generic Knock-in Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Generic Knock-in Securities:

- (A) if no Knock-in Event has occurred:  
Constant Percentage 1 + Gearing Up × Option Up ; or
- (B) if a Knock-in Event has occurred:  
Constant Percentage 2 + Gearing Down × Option Down ,

where:

**"Option Up"** means Call or Call Spread as specified in the applicable Final Terms;

**"Call"** means Max (Up Final Redemption Value – Up Strike Percentage; 0);

**"Call Spread"** means Min (Max (Up Final Redemption Value – Up Strike Percentage; 0); Up Cap Percentage);

**"Option Down"** means Put or Put Spread as specified in the applicable Final Terms;

**"Put"** means Max (Down Strike Percentage – Down Final Redemption Value; 0); and

**"Put Spread"** means Min (Max (Down Strike Percentage – Down Final Redemption Value; 0); Down Cap Percentage).

***Description of the Payout***

*The Payout comprises:*

- *if no Knock-in Event occurs, a fixed percentage and indexation to the value of the Underlying Reference(s) above the Up Strike Percentage (subject to a maximum level when Option Up is Call Spread); or*
- *if a Knock-in Event occurs, indexation to the value of the Underlying Reference(s) below the Down Strike Percentage (subject to a minimum level when Option Down is Put Spread).*

(g) **Ratchet Securities**

If the Securities are specified in the applicable Final Terms as being Ratchet Securities:

- (i) if Local Cap is specified as not applicable in the applicable Final Terms:

$$\text{Constant Percentage 1} + \text{Max} \left( \sum_{q \text{ in } Q(i)} \text{Max (Final Redemption Value}(q) - \text{Strike Percentage, Local Floor Percentage), Global Floor Percentage} \right)$$

- (ii) if Local Cap is specified as applicable in the applicable Final Terms:

$$\text{Constant Percentage} + \text{Max} \left( \sum_{q \text{ in } Q(i)} \text{Max} \left( \text{Min} \left( \text{Final Redemption Value}(q) - \text{Strike Percentage}, \text{Local Cap Percentage} \right), \text{Local Floor Percentage} \right), \text{Global Floor Percentage} \right)$$

### **Description of Payout**

*The Payout provides an amount equal to the sum of the Final Redemption Values above the Strike Percentage subject to a floor of the Global Floor Percentage. The Final Redemption Values are calculated on each SPS Valuation Date during the SPS Valuation Period and each may be subject to a Cap and/or a floor.*

#### **(h) Sum Securities**

If the Securities are specified in the applicable Final Terms as being Sum Securities:

$$\text{Constant Percentage} + \sum_{a=1}^A \text{PW}_a \prod_{b=1}^B \left( \left[ \text{Additional Final Payout} \right]_{a,b} \right)$$

Where:

"PW" is the relevant Additional Final Payout Weighting;

"A" is the number specified as such in the applicable Final Terms; and

"B" is the number specified as such in the applicable Final Terms.

### **Description of Payout**

*The Payout comprises a weighted sum of two or more Payouts provided in the Conditions and specified in the applicable Final Terms.*

#### **(i) Option Max Securities**

If the Securities are specified in the applicable Final Terms as being Option Max Securities:

$$\text{Constant Percentage} + \text{Max}_{a=1}^A \left( \left[ \text{Additional Final Payout} \right]_a \right)$$

where "A" is the number specified as such in the applicable Final Terms.

### **Description of Payout**

*The Payouts comprises a maximum of two or more Payouts provided in the Conditions and specified in the applicable Final Terms.*

- (j) If specified in the applicable Final Terms any Final Payout will be subject to a cap of the Maximum Final Payout and/or a floor of the Minimum Final Payout, in each case as specified in the applicable Final Terms.

## **2.3 Automatic Early Redemption Payouts, Call Payouts and Put Payouts**

- (a) If Automatic Early Redemption is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, if SPS Automatic Early Redemption Payout is specified in the applicable Final Terms, the Automatic Early Redemption Payout shall be:



$NA \times (\text{AER Redemption Percentage} + \text{AER Exit Rate}),$

Provided That if specified in the applicable Final Terms the SPS Automatic Early Redemption Payout will be subject to a cap of the Maximum SPS Automatic Early Redemption Payout and/or a floor of the Minimum SPS Automatic Early Redemption Payout, in each case specified in the applicable Final Terms.

(b) **Definitions for SPS Automatic Early Redemption Payouts**

**"AER Athena up Rate"** means:

(a) if Cap is specified as applicable in the applicable Final Terms:

$$\text{Min} \left( \text{Max} \left( \text{ER Floor Percentage}_{(i)}, \text{ER Gearing}_{(i)} \times \left( \text{ER Value}_{(i)} - \text{ER Strike Percentage}_{(i)} \right) + \text{ER Spread}_{(i)} \right), \right. \\ \left. \text{ER Cap Percentage}_{(i)} \right) + \text{ER Constant Percentage}_{(i)}$$

(b) if Cap is specified as not applicable in the applicable Final Terms:

$$\text{Max} \left( \text{ER Floor Percentage}_{(i)}, \text{ER Gearing}_{(i)} \times \left( \text{ER Value}_{(i)} - \text{ER Strike Percentage}_{(i)} \right) + \text{ER Spread}_{(i)} \right) \\ + \text{ER Constant Percentage}_{(i)}$$

**"AER Calculation Period"** means the period from (and including) the Interest Payment Date or Premium Amount Payment Date, as applicable, immediately preceding the Automatic Early Redemption Date (or if none the Issue Date) to (but excluding) the Automatic Early Redemption Date;

**"AER CSN Rate"** means a percentage calculated as the product of the AER Rate and the applicable Day Count Fraction;

**"AER Exit Rate"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, any of AER Rate, AER Athena up Rate or AER CSN Rate as specified in the applicable Final Terms;

**"AER Rate"** means the rate specified as such or determined in the manner set out in, the applicable Final Terms;

**"AER Redemption Percentage"** means the percentage specified as such in the applicable Final Terms;

**"AER Reference Rate"** means the floating rate specified as such in the applicable Final Terms;

**"ER Cap Percentage"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

**"ER Constant Percentage"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the Percentage specified as such in the applicable Final Terms;

**"ER Floor"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

**"ER Gearing"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

**"ER Spread"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

**"ER Strike Percentage"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

**"ER Value"** means, in respect of a SPS ER Valuation Date, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"SPS ER Valuation Date"** means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

**"SPS ER Valuation Period"** means each period specified as such in the applicable Final Terms.

(c) **Call Payouts**

If SPS Call Payout is specified in the applicable Final Terms, the Call Payout will be:

$NA \times (\text{Call Redemption Percentage} + \text{Call Exit Rate}),$

Provided That if specified in the applicable Final Terms the SPS Call Payout will be subject to a cap of the Maximum SPS Call Payout and/or a floor of the Minimum SPS Call Payout, in each case specified in the applicable Final Terms.

(d) **Definitions for SPS Call Payouts**

**"Call Athena up Rate"** means:

(i) if Cap is specified as applicable in the applicable Final Terms:

$\text{Min}(\text{Max}(\text{Call Floor Percentage}, \text{Call Gearing} \times (\text{Call value} - \text{Call Strike Percentage}) + \text{Call Spread Percentage}), \text{Call Cap Percentage}) + \text{Call Constant Percentage}$

(ii) if Cap is specified as not applicable in the applicable Final Terms:

$\text{Max}(\text{Call Floor Percentage}, \text{Call Gearing} \times (\text{Call Value} - \text{Call Strike Percentage}) + \text{Call Spread Percentage}) + \text{Call Constant Percentage}$

**"Call Calculation Period"** means the period from (and including) the Interest Payment Date or Premium Amount Payment Date, as applicable, immediately preceding the Optional Redemption Date (or if none the Issue Date) to (but excluding) the Optional Redemption Date;

**"Call CSN Rate"** means a percentage calculated as the product of the Call Rate and the applicable Day Count Fraction;

**"Call Exit Rate"** means any of Call Rate, Call Athena up Rate or Call CSN Rate as specified in the applicable Final Terms;

**"Call Rate"** means the rate specified as such or determined in the manner set out in, the applicable Final Terms. If the applicable Final Terms specify that the Call Rate is to be determined by reference to a Screen Rate, the Call Rate shall be calculated pursuant to Note Condition 11.4 or W&C Condition 34.9(d) save that references therein to "AER" shall be deemed to be references to "Call";

**"Call Redemption Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Call Reference Rate"** means the floating rate specified as such in the applicable Final Terms;

**"Call Cap Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Call Constant Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Call Floor Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Call Gearing"** means the percentage specified as such in the applicable Final Terms;

**"Call Spread Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Call Strike Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Call Value"** means, in respect of an SPS Call Valuation Date or SPS Call Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"SPS Call Valuation Date"** means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

**"SPS Call Valuation Period"** means each period specified as such in the applicable Final Terms.

(e) **Put Payouts**

If SPS Put Payout is specified in the applicable Final Terms, the Put Payout will be:

NA x (Put Redemption Percentage + Put Exit Rate),

Provided That if specified in the applicable Final Terms the SPS Put Payout will be subject to a cap of the Maximum SPS Put Payout and/or a floor of the Minimum SPS Put Payout, in each case specified in the applicable Final Terms.

(f) **Definitions for SPS Put Payouts**

**"Put Athena up Rate"** means:

(i) if Cap is specified as applicable in the applicable Final Terms:

$\text{Min}(\text{Max}(\text{Put Floor Percentage}, \text{Put Gearing} \times (\text{Put value} - \text{Put Strike Percentage}) + \text{Put Spread Percentage}), \text{Put Cap Percentage}) + \text{Put Constant Percentage}$

(ii) if Cap is specified as not applicable in the applicable Final Terms:

$\text{Max}(\text{Put Floor Percentage}, \text{Put Gearing} \times (\text{Put Value} - \text{Put Strike Percentage}) + \text{Put Spread Percentage}) + \text{Put Constant Percentage}$

**"Put Calculation Period"** means the period from (and including) the Interest Payment Date or Premium Amount Payment Date, as applicable, immediately preceding the relevant Optional Redemption Date (or if none the Issue Date) to (but excluding) the relevant Optional Redemption Date;

**"Put CSN Rate"** means a percentage calculated as the product of the Put Rate and the applicable Day Count Fraction;

**"Put Exit Rate"** means any of Put Rate, Put Athena up Rate or Put CSN Rate as specified in the applicable Final Terms;

**"Put Rate"** means the rate specified as such or determined in the manner set out in, the applicable Final Terms. If the applicable Final Terms specify that the Put Rate is to be determined by reference to a

Screen Rate, the Put Rate shall be calculated pursuant to Note Condition 11.4 or W&C Condition 34.9(d) save that references therein to "AER" shall be deemed to be references to "Put";

**"Put Redemption Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Put Reference Rate"** means the floating rate specified as such in the applicable Final Terms;

**"Put Cap Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Put Constant Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Put Floor Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Put Gearing"** means the percentage specified as such in the applicable Final Terms;

**"Put Spread Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Put Strike Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Put Value"** means, in respect of an SPS Put Valuation Date or SPS Put Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"SPS Put Valuation Date"** means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

**"SPS Put Valuation Period"** means each period specified as such in the applicable Final Terms.

## 2.4 SPS Entitlement Amounts

The following Entitlement Amounts (each an **"Entitlement Amount"**) will apply to the Securities if specified in the applicable Final Terms, subject as provided in Payout Condition 2.4(c) below:

### (a) Delivery of Worst-Performing Underlying

If Delivery of Worst-Performing Underlying is specified as applicable in the applicable Final Terms:

$$NA \times \text{Redemption Payout} / \left( \text{Worst Performing Underlying Reference Closing Price Value}_{(i)} \times FX_{(i)} \right)$$

Where:

**"Worst Performing Underlying Reference Closing Price Value<sub>(i)</sub>"** is the Underlying Reference Closing Price Value<sub>(i)</sub> on the relevant SPS Valuation Date in respect of the Underlying Reference with the Worst Value on such date; and

**"FX<sub>(i)</sub>"** is the relevant Underlying Reference FX Level<sub>(i)</sub> on the relevant SPS Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

### (b) Delivery of Best-Performing Underlying

If Delivery of Best-Performing Underlying is specified as applicable in the applicable Final Terms:

$$NA \times \text{Redemption Payout} / \left( \text{Best Performing Underlying Reference Closing Price Value}_{(i)} \times FX_{(i)} \right)$$

Where:

"**Best-Performing Underlying Reference Closing Price Value<sub>(i)</sub>**" is the Underlying Reference Closing Price Value<sub>(i)</sub> on the relevant SPS Valuation Date in respect of the Underlying Reference with the Best Value on such date; and

"**FX<sub>(i)</sub>**" is the relevant Underlying Reference FX Level on the relevant SPS Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

(c) **Rounding and Residual Amount**

The Entitlement Amount will be rounded down to the nearest unit of each Relevant Asset capable of being delivered and in lieu thereof the Issuer will pay an amount equal to:

$$NA \times \text{Redemption Payout} - \sum_{k=1}^K \text{Number (k,i)} * FX_{(k,i)} * \text{Underlying Reference Closing Price Value}_{(k,i)}$$

"**Number (k,i)**" is equal to the Entitlement Amount for the relevant Underlying Reference <sub>(k)</sub> and SPS Valuation Date <sub>(i)</sub>;

"**Underlying Reference Closing Price Value<sub>(k,i)</sub>**" is the Underlying Reference Closing Price Value<sub>(i)</sub> on the relevant SPS Valuation Date in respect of the relevant Underlying Reference <sub>(k)</sub>; and

"**FX<sub>(k,i)</sub>**" is the relevant Underlying Reference FX Level on the relevant SPS Valuation Date or if that is not a Business Day the immediately succeeding Business Day .

2.5 **Definitions for SPS Interest/Premium Amount Rates and FR Rate**

(a) **Definitions for SPS Interest / Premium Amount Rates**

"**AC Digital Coupon Barrier Level Down**" means the percentage, amount or number specified as such in the applicable Final Terms;

"**AC Digital Coupon Barrier Level Up**" means the percentage, amount or number specified as such in the applicable Final Terms;

"**AC Digital Coupon Condition**" means:

- (a) if Barrier Up is specified as applicable in the applicable Final Terms, that the DC Barrier Value for the relevant SPS Coupon Valuation Date is (i) equal to or greater than the relevant AC Digital Coupon Barrier Level Down and (ii) less than or equal to the relevant AC Digital Coupon Barrier Level Up; or
- (b) if Barrier Up is specified as not applicable in the applicable Final Terms, that the DC Barrier Value for the relevant SPS Coupon Valuation Date is equal to or greater than AC Digital Coupon Barrier Level Down;

"**AC Digital Day**" means a calendar day, Exchange Business Day, Scheduled Trading Day or other day specified as such in the applicable Final Terms;

"**Additional Coupon**" means each Rate of Interest or Premium Amount Rate specified as such in the applicable Final Terms;

**"Barrier Condition"** means that Coupon Value for the relevant Underlying Reference for the relevant SPS Valuation Date is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level;

**"Barrier Level"** means the percentage, amount or number specified as such in the applicable Final Terms;

**"Constant Percentage"** means the percentage specified as such in the applicable Final Terms.

**"Coupon Weighting"** means the number, amount or percentage specified as such in the applicable Final Terms;

**"Coupon Value"** means, in respect of an SPS Coupon Valuation Date or SPS Coupon Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"DC Barrier Value"** means, in respect of a SPS Coupon Valuation Date or SPS Coupon Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"Digital Coupon Condition"** means that the DC Barrier Value for the relevant SPS Coupon Valuation Date or SPS Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level;

**"Driver Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Final Redemption Condition Level"** means the percentage, amount or number specified as such in the applicable Final Terms;

**"nfixed"** means the number specified as such in the applicable Final Terms;

**"Rate"** means, in respect of a SPS Coupon Valuation Date or SPS Coupon Valuation Period:

- (i) the fixed rate specified in or the floating rate calculated as provided in, the applicable Final Terms; or
- (ii) the Vanilla Call Rate or Vanilla Call Spread Rate specified in the applicable Final Terms.

**"Snowball Barrier Value"** means, in respect of a SPS Coupon Valuation Date, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"Snowball Date"** means each date on which the relevant Snowball Digital Coupon Condition is satisfied;

**"Snowball Digital Coupon Condition"** means that the Snowball Barrier Value for the relevant SPS Coupon Valuation Date is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Snowball Level;

**"Snowball Level"** means the number, amount or percentage specified as such in the applicable Final Terms;

**"Spread"** means the percentage specified as such in the applicable Final Terms;

**"SPS Coupon Valuation Date"** means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms;

**"SPS Coupon Valuation Period"** means the period specified as such in the applicable Final Terms;

**"Vanilla Call Rate"** means:

$\text{Constant Percentage}_{(i)} + \text{Gearing}_{(i)} * \text{Max} \left( \text{Coupon Value}_{(i)} - \text{Strike Percentage}_{(i)} + \text{Spread}_{(i)}, \text{Floor Percentage}_{(i)} \right)$ ; and

**"Vanilla Call Spread Rate"** means:

$\text{Constant Percentage}_{(i)} + \text{Gearing}_{(i)} * \text{Min} \left( \text{Max} \left( \text{Coupon Value}_{(i)} - \text{Strike Percentage}_{(i)} + \text{Spread}_{(i)}, \text{Floor Percentage}_{(i)} \right); \text{Cap Percentage}_{(i)} \right)$  .

(b) **Definitions for FR Rate**

**"FR Athena up Rate"** means:

(a) if Cap is specified as applicable in the applicable Final Terms:

$\text{Min}(\text{Max}(\text{FR Floor Percentage}, \text{FR Gearing} \times (\text{FR Value} - \text{FR Strike Percentage}) + \text{FR Spread}), \text{FR Cap Percentage}) + \text{FR Constant Percentage}$

(b) if Cap is specified as not applicable in the applicable Final Terms:

$\text{Max}(\text{FR Floor Percentage}, \text{FR Gearing} \times (\text{FR Value} - \text{FR Strike Percentage}) + \text{FR Spread}) + \text{FR Constant Percentage}$

**"FR Calculation Period"** means the period from (and including) the Interest Payment Date or Premium Amount Payment Date, as applicable, immediately preceding the Final Valuation Date (or if none the Issue Date) to (but excluding) the Final Valuation Date;

**"FR CSN Rate"** means a percentage calculated as the product of the FR Rate and the applicable Day Count Fraction;

**"FR Exit Rate"** means any of FR Rate, FR Athena up Rate or FR CSN Rate as specified in the applicable Final Terms;

**"FR Rate"** means the rate specified as such or determined in the manner set out in, the applicable Final Terms. If the applicable Final Terms specify that the FR Rate is to be determined by reference to a Screen Rate, the FR Rate shall be calculated pursuant to Note Condition 11.4 or W&C Condition 34.9(d), as applicable, save that references therein to "AER" shall be deemed to be references to "FR";

**"FR Redemption Percentage"** means the percentage specified as such in the applicable Final Terms;

**"FR Reference Rate"** means the floating rate specified as such in the applicable Final Terms;

**"FR Cap Percentage"** means the percentage specified as such in the applicable Final Terms;

**"FR Constant Percentage"** means the percentage specified as such in the applicable Final Terms;

**"FR Floor Percentage"** means the percentage specified as such in the applicable Final Terms;

**"FR Gearing"** means the percentage specified as such in the applicable Final Terms;

**"FR Spread"** means the percentage specified as such in the applicable Final Terms;

**"FR Strike Percentage"** means the percentage specified as such in the applicable Final Terms;

**"FR Value"** means, in respect of a SPS FR Valuation Date or SPS FR Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"SPS FR Barrier Valuation Date"** means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms;

**"SPS FR Barrier Valuation Period"** means each period specified as such in the applicable Final Terms;

**"SPS FR Valuation Date"** means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

**"SPS FR Valuation Period"** means each period specified as such in the applicable Final Terms.

## 2.6 **Simple Value and Performance Definitions for SPS Interest/Premium Amount Rates, Payouts and Entitlement Amounts**

### (a) **Basic Value Definitions**

**"FX Value"** means, in respect of an Underlying Reference and a day, Underlying Reference FX Level for such day divided by Underlying Reference FX Strike Level;

**"Underlying Reference Closing Price Value"** means, in respect of a SPS Valuation Date:

- (a) if the relevant Underlying Reference is an Index or Custom Index, the Closing Level; or
- (b) if the relevant Underlying Reference is an ETI or a Share, the Closing Price; and
- (c) if the relevant Underlying Reference is a Commodity or a Commodity Index, the Relevant Price;
- (d) if the relevant Underlying Reference is a Fund, the NAV per Fund Share;
- (e) if the relevant Underlying Reference is a Currency or Future, the Settlement Price;
- (f) if the relevant Underlying Reference is an Underlying Interest Rate, the Underlying Reference Rate; or
- (g) if the relevant Underlying Reference is an Inflation Index, the Relevant Level,

in each case in respect of such day;

**"Underlying Reference FX Level"** means, in respect of an Underlying Reference and a day, the rate of exchange between the currencies (including any rates of exchange pursuant to which the relevant rate of exchange is derived) and determined from the source(s) and at the time, in each case specified in the applicable Final Terms for such Underlying Reference on such day;

**"Underlying Reference FX Strike Level"** means in respect of an Underlying Reference:

- (a) the rate specified as such in the applicable Final Terms; or
- (b) if FX Closing Level is specified as applicable in the applicable Final Terms, the Underlying Reference FX Level for such Underlying Reference on the Strike Date; or



- (c) if FX Maximum Level is specified as applicable in the applicable Final Terms, the greatest Underlying Reference FX Level for such Underlying Reference for all the Strike Days in the Strike Period; or
- (d) if FX Minimum Level is specified as applicable in the applicable Final Terms, the lowest Underlying Reference FX Level for such Underlying Reference for all the Strike Days in the Strike Period; or
- (e) if FX Average Level is specified as applicable in the applicable Final Terms, the arithmetic average of the Underlying Reference FX Levels for such Underlying Reference for all the Strike Days in the Strike Period; and

**"Underlying Reference Strike Price"** means, in respect of an Underlying Reference:

- (i) the amount specified as such in the applicable Final Terms; or
- (ii) if Strike Price Closing Value is specified as applicable in the applicable Final Terms, the Underlying Reference Closing Price Value for such Underlying Reference on the Strike Date; or
- (iii) if Strike Price Maximum Value is specified as applicable in the applicable Final Terms, the greatest Underlying Reference Closing Price Value for such Underlying Reference for all the Strike Days in the Strike Period; or
- (iv) if Strike Price Minimum Value is specified as applicable in the applicable Final Terms, the lowest Underlying Reference Closing Price Value for such Underlying Reference for all the Strike Days in the Strike Period; or
- (v) if Strike Price Average Value is specified as applicable in the applicable Final Terms, the arithmetic average of the Underlying Reference Closing Price Values for such Underlying Reference for all the Strike Days in the Strike Period; or
- (vi) if Barrier Strike Price Closing Value is specified as applicable in the applicable Final Terms, an amount equal to the product of (x) the Underlying Reference Closing Price Value for such Underlying Reference on the Strike Date and (y) the Barrier Percentage Strike Price; or
- (vii) if Barrier Strike Price Maximum Value is specified as applicable in the applicable Final Terms, an amount equal to the product of (x) the greatest Underlying Reference Closing Price Value for such Underlying Reference for all the Strike Days in the Strike Period and (y) the Barrier Percentage Strike Price; or
- (viii) if Barrier Strike Price Minimum Value is specified as applicable in the applicable Final Terms, an amount equal to the product of (x) the lowest Underlying Reference Closing Price Value for such Underlying Reference for all the Strike Days in the Strike Period and (y) the Barrier Percentage Strike Price; or
- (ix) if Barrier Strike Price Average Value is specified as applicable in the applicable Final Terms, an amount equal to the product of (x) the arithmetic average of the Underlying Reference Closing Price Values for such Underlying Reference for all the Strike Days in the Strike Period and (y) the Barrier Percentage Strike Price.

(b) **Mono Underlying Reference Value Definitions**

**"Performance"** means, in respect of an Underlying Reference and a SPS Valuation Date, (a) the Underlying Reference Value for such Underlying Reference in respect of such day minus (b) 100 per cent.;

**"Restrike Performance"** means, in respect of an Underlying Reference and a SPS Valuation Date (a) (i) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such day (ii) divided by the Underlying Reference Closing Price Value for such Underlying Reference in respect of the immediately preceding SPS Valuation Date (b) less 100 per cent.;

**"Underlying Reference EndDay Closing Price Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, the Underlying Reference Closing Price Value for such Underlying Reference on the date (the **"SPS EndDay Valuation Date"**) falling nEnd days after such SPS Valuation Date;

**"Underlying Reference Intraday Price Value"** means:

- (a) if the relevant Underlying Reference is an Index, the Intraday Level; or
- (b) if the relevant Underlying Reference is a Share, an ETI, a Commodity or a Commodity Index, the Intraday Price;

**"Underlying Reference Intraday Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, (a) (i) the Underlying Reference Intraday Price Value for such Underlying Reference in respect of such SPS Valuation Date (ii) divided by the relevant Underlying Reference Strike Price, and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value;

**"Underlying Reference Restrike Value"** means, in respect of an Underlying Reference and a SPS Valuation Date (a) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such day divided by (b) the Underlying Reference Closing Price Value for such Underlying Reference in respect of the immediately preceding SPS Valuation Date;

**"Underlying Reference StartDay Closing Price Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, the Underlying Reference Closing Price Value for such Underlying Reference on the date (the **"SPS StartDay Valuation Date"**) falling nStart days prior to such SPS Valuation Date;

**"Underlying Reference TOM Restrike Value"** means, in respect of an Underlying Reference and a SPS Valuation Date (a) the Underlying Reference EndDay Closing Price Value for such Underlying Reference in respect of such day divided by (b) Underlying Reference StartDay Closing Price Value for such Underlying Reference in respect of such day;

**"Underlying Reference TOM Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, the product of all Underlying Reference TOM Restrike Values for all SPS Valuation Dates prior to and including such SPS Valuation Date in respect of an Underlying Reference; and

**"Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, (a) (i) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such SPS Valuation Date (ii) divided by the relevant Underlying Reference Strike Price and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value.

(c) **Multi Underlying Reference Value Definitions**

**"Basket Value"** means, in respect of a SPS Valuation Date, the sum of the values calculated for each Underlying Reference in the Basket as (a) the Underlying Reference Value for such Underlying Reference in respect of such SPS Valuation Date multiplied by (b) the relevant Underlying Reference Weighting;

**"Best Intraday Value"** means, in respect of a SPS Valuation Date, the highest Underlying Reference Intraday Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date;

**"Best Value"** means, in respect of a SPS Valuation Date, the highest Underlying Reference Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date;

**"Rainbow Value"** means, in respect of a SPS Valuation Date, the sum of the values calculated for each Underlying Reference in the Basket as (a) the Ranked Value for such Underlying Reference in respect of such SPS Valuation Date multiplied by (b) the relevant Underlying Reference Weighting;

**"Ranked Value"** means, in respect of a SPS Valuation Date, the Underlying Reference Value in respect of the Underlying Reference with the Ranking in respect of such SPS Valuation Date set out in the applicable Final Terms;

**"Ranking"** means, in respect of an SPS Valuation Date, the ordinal positioning of each Underlying Reference by Underlying Reference Value from lowest Underlying Reference Value to greatest Underlying Reference Value in respect of such SPS Valuation Date;

**"Worst Intraday Value"** means, in respect of a SPS Valuation Date, the lowest Underlying Reference Intraday Value for any Underlying Reference in respect of such SPS Valuation Date; and

**"Worst Value"** means, in respect of a SPS Valuation Date, the lowest Underlying Reference Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date.

2.7 **Greatest Period Values for SPS Interest/Premium Amount Rates, Payouts and Entitlement Amounts**

(a) **Mono Underlying Reference Value Definitions**

**"Greatest Underlying Reference Intraday Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the highest Underlying Reference Intraday Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Greatest Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the highest Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period.

(b) **Multi Underlying Reference Value Definitions**

**"Greatest Basket Value"** means, in respect of a SPS Valuation Period, the highest Basket Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Greatest Best Intraday Value"** means, in respect of a SPS Valuation Period, the highest Best Intraday Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Greatest Best Value"** means, in respect of a SPS Valuation Period, the highest Best Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Greatest Rainbow Value"** means, in respect of a SPS Valuation Period, the highest for all SPS Valuation Dates in such SPS Valuation Period of the relevant Rainbow Values; and

**"Greatest Worst Value"** means, in respect of a SPS Valuation Period, the highest Worst Value for all the SPS Valuation Dates in such SPS Valuation Period.

2.8 **Lowest Period Values for SPS Interest/Premium Amount Rates, Payouts and Entitlement Amounts**

(a) **Mono Underlying Reference Value Definitions**

**"Lowest Underlying Reference Intraday Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the lowest Underlying Reference Intraday Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Lowest Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the lowest Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period.

(b) **Multi Underlying Reference Value Definitions**

**"Lowest Basket Value"** means, in respect of a SPS Valuation Period, the lowest Basket Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Lowest Best Value"** means, in respect of a SPS Valuation Period, the lowest Best Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Lowest Rainbow Value"** means, in respect of a SPS Valuation Period, the lowest for all SPS Valuation Dates in such SPS Valuation Period of the relevant Rainbow Values;

**"Lowest Worst Intraday Value"** means, in respect of a SPS Valuation Period, the lowest Worst Intraday Value for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Lowest Worst Value"** means, in respect of a SPS Valuation Period, the lowest Worst Value for all the SPS Valuation Dates in such SPS Valuation Period.

2.9 **Average Values for SPS Interest/Premium Amount Rates, Payouts and Entitlement Amounts**

(a) **Mono Underlying Reference Value Definitions**

**"Average Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the arithmetic average of the Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period;

**"Average Underlying Reference TOM Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the arithmetic average of the Underlying Reference TOM Values for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period.

(b) **Multi Underlying Reference Value Definitions**

**"Average Basket Value"** means, in respect of a SPS Valuation Period, the arithmetic average of the Basket Values for all the SPS Valuation Dates in such SPS Valuation Period;

**"Average Best Value"** means, in respect of a SPS Valuation Period, the arithmetic average of the Best Values for all the SPS Valuation Dates in such SPS Valuation Period;

**"Average Rainbow Value"** means, in respect of a SPS Valuation Period, the arithmetic average for all SPS Valuation Dates in such SPS Valuation Period of the relevant Rainbow Values; and

**"Average Worst Value"** means, in respect of a SPS Valuation Period, the arithmetic average of the Worst Values for all the SPS Valuation Dates in such SPS Valuation Period.

**2.10 Weighted Average Values for SPS Interest/Premium Amount Rates, Payouts and Entitlement Amounts**

**(a) Mono Underlying Reference Value Definitions**

**"Weighted Average Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the sum of the values calculated for all the SPS Valuation Dates in such SPS Valuation Period as (a) the Underlying Reference Value for such Underlying Reference for such SPS Valuation Date (b) multiplied by the relevant SPS Date Weighting.

**(b) Multi Underlying Reference Value Definitions**

**"Weighted Average Basket Value"** means, in respect of a SPS Valuation Period, the sum of the values calculated for all the SPS Valuation Dates in such SPS Valuation Period as (a) the Basket Value for such SPS Valuation Date (b) multiplied by the relevant SPS Date Weighting;

**"Weighted Average Best Value"** means, in respect of a SPS Valuation Period, the sum of the values calculated for all the SPS Valuation Dates in such SPS Valuation Period as (a) the Best Value for such SPS Valuation Date (b) multiplied by the relevant SPS Date Weighting;

**"Weighted Average Rainbow Value"** means, in respect of a SPS Valuation Period, the sum of the values calculated for all SPS Valuation Dates in such SPS Valuation Period as (a) the relevant Rainbow Values (b) multiplied by the relevant SPS Date Weighting; and

**"Weighted Average Worst Value"** means, in respect of a SPS Valuation Period, the sum of the values calculated for all the SPS Valuation Dates in such SPS Valuation Period as (a) the Worst Value for such SPS Valuation Date (b) multiplied by the relevant SPS Date Weighting.

**2.11 Minimum/Maximum Values**

Any value specified in the applicable Final Terms and used in the calculation of any SPS Interest / Premium Amount Rate, Payout and/or Entitlement Amount or related provision may be subject to a cap of the Maximum Value and/or a floor of the Minimum Value, in each case specified in the applicable Final Terms.

**2.12 General Definitions for SPS Interest/Premium Amount Rates, Payouts and Entitlement Amounts**

**"Additional Final Payout"** means each Final Payout specified as such in the applicable Final Terms for the relevant Sum Securities or Option Max Securities and if Payout FX Conversion is specified as applicable in the applicable Final Terms, converted into the Payout Currency at the Payout FX Value, in each case specified in the applicable Final Terms;

**"Additional Final Payout Weighting"** is the number, amount or percentage specified as such in the applicable Final Terms;

"**Additional Gearing**" means the percentage specified as such in the applicable Final Terms;

"**Barrier Percentage Strike Price**" means the percentage specified as such in the applicable Final Terms;

"**Bonus Coupon**" means the percentage specified as such in the applicable Final Terms;

"**Bonus Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 3**" means the percentage specified as such in the applicable Final Terms;

"**Constant Percentage 4**" means the percentage specified as such in the applicable Final Terms;

"**Coupon Airbag Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Coupon Airbag Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Coupon Airbag Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Down Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Down Final Redemption Value**" means the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**Down Strike Percentage**" means the percentage specified as such in the applicable Final Terms;

"**EDS Barrier Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Final Redemption Condition**" means that the FR Barrier Value for the relevant SPS FR Barrier Valuation Date or SPS FR Barrier Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Condition Level;

"**Final Redemption Value**" means the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**FR Barrier Value**" means, in respect of a SPS FR Barrier Valuation Date or SPS FR Barrier Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**Gear Down**" means the percentage specified as such in the applicable Final Terms;

"**Gear Up 1**" means the percentage specified as such in the applicable Final Terms;

"**Gear Up 2**" means the percentage specified as such in the applicable Final Terms;

"**Gearing**" means the percentage specified as such in the applicable Final Terms;

"**Global Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**i**" means the relevant SPS Valuation Date or SPS Valuation Period;

"**j**" means the relevant Strike Date;

"**k**" means the relevant Underlying Reference;

"**K**" means the total number of Underlying References in the Basket;

"**Local Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Local Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Loss Percentage**" means the percentage specified as such in the applicable Final Terms;

"**m**" means the relevant SPS Valuation Date or SPS Valuation Period;

"**M**" means a series of SPS Valuation Dates or SPS Valuation Periods;

"**Min Coupon**" means the percentage specified as such in the applicable Final Terms;

"**NA**" means, in respect of a W&C Security, the Notional Amount or, in respect of a Note, the Calculation Amount;

"**nEnd days**" has the meaning given it in the applicable Final Terms;

"**nStart days**" has the meaning given it in the applicable Final Terms;

"**Payout Currency**" means the currency specified as such in the applicable Final Terms;

"**Payout FX Value**" means, in respect of a Payout Currency (a) the rate of exchange between the currencies (including any rates of exchange pursuant to which the relevant rate of exchange is derived) and determined from the source(s) and at the time, in each case specified in the applicable Final Terms for such Payout Currency on the Payout FX Rate Date divided by (b) the rate of exchange between the currencies (including any rates of exchange pursuant to which the relevant rate of exchange is derived) and determined from the source(s) and at the time, in each case specified in the applicable Final Terms on the Payout FX Rate Strike Date;

"**Payout FX Rate Date**" means the date specified as such in the applicable Final Terms;

"**Payout FX Rate Strike Date**" means the date specified as such in the applicable Final Terms;

"**q**" means the relevant Observation Date or SPS Valuation Date;

"**Q**" is a series of SPS Valuation Dates in SPS Valuation Period<sub>(i)</sub> or Calculation Period<sub>(i)</sub>;

"**Redemption Payout**" means the Final Payout in specified in the applicable Final Terms;

"**SPS Date Weighting**" means, in respect of an SPS Valuation Date, the number, amount or percentage specified as such for such date in the applicable Final Terms;

"**SPS Redemption Valuation Date**" means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms;

"**SPS Redemption Valuation Period**" means each period specified as such in the applicable Final Terms;

**"SPS Valuation Date"** means each SPS Coupon Valuation Date, SPS Redemption Valuation Date, SPS ER Valuation Date, SPS FR Valuation Date, SPS FR Barrier Valuation Date, Knock-in Determination Day, Knock-out Determination Day, Automatic Early Expiration Valuation Date, SPS EndDay Valuation Date, SPS StartDay Valuation Date, SPS Call Valuation Date, SPS Put Valuation Date, SPS ACS Valuation Date, SPS APS Valuation Date, Automatic Early Expiration Valuation Date or Automatic Early Redemption Valuation Date specified in the applicable Final Terms;

**"SPS Valuation Period"** means each SPS ER Valuation Period, SPS Coupon Valuation Period, SPS FR Barrier Valuation Period, SPS Call Valuation Period, SPS Put Valuation Period, Automatic Early Redemption Valuation Period, Automatic Early Expiration Valuation Period, SPS FR Valuation Period, SPS Redemption Valuation Period, Knock-in Determination Period, Knock-out Determination Period, SPS ACS Valuation Period, or SPS APS Valuation Period, specified in the applicable Final Terms;

**"Strike Percentage"** means the percentage specified as such in the applicable Final Terms;

**"T"** means the relevant Observation Date or SPS Valuation Date;

**"Total M"** means the number specified as such in the applicable Final Terms;

**"Underlying Reference"** means, for the purposes of the SPS Payouts, Interest/Premium Amount Rates and Entitlement Amounts, each Index, Share, ETI, Commodity, Commodity Index, Fund, Underlying Interest Rate, Inflation Index or Future or other basis of reference to which the relevant Securities relate;

**"Underlying Reference Weighting"** means, in respect of an Underlying Reference, the number, amount or percentage specified as such for such Underlying Reference in the applicable Final Terms.

**"Up Cap Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Up Fixed Redemption Value"** means the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms; and

**"Up Strike Percentage"** means the percentage specified as such in the applicable Final Terms;

### 3. FIXED INCOME INTEREST/PREMIUM AMOUNT RATES AND PAYOUTS

#### 3.1 Fixed Income Interest/Premium Amount Rates

The following Rate of Interest or Premium Amount Rate will apply to the Securities if specified in the applicable Final Terms:

##### (a) FI Digital Coupon

If FI Digital Coupon is specified as applicable in the applicable Final Terms:

- (i) if the FI Digital Coupon Condition is satisfied in respect of the relevant FI Interest Valuation Date:

$$\text{Min} \left( \text{Global Cap A}, \text{Max} \left( \text{Global Floor A}, \left( \sum_{i=1}^n \text{Gearing A}_{(i)} \times \text{FI Rate A}_{(i)} \right) + \text{Constant A} \right) \right); \text{ or}$$

- (ii) if the FI Digital Coupon Condition is not satisfied in respect of the relevant FI Interest Valuation Date:



$$\text{Min} \left( \text{Global Cap B}, \text{Max} \left( \text{Global Floor B}, \left( \sum_{i=1}^n \text{Gearing B}_{(i)} \times \text{FI Rate B}_{(i)} \right) + \text{Constant B} \right) \right)$$

(b) **Range Accrual Coupon**

If Range Accrual Coupon is specified as applicable in the applicable Final Terms:

$$\text{Min} \left\{ \text{Global Cap}, \text{Max} \left[ \text{Global Floor}, \text{Min} \left( \text{Local Cap}, \text{Max} \left[ \text{Local Floor}, \left( \text{Global Margin} + \sum_{i=1}^n \text{Gearing}_{(i)} \times \text{FI Rate}_{(i)} \right) \times \frac{n}{N} \right] \right] \right] \right\}$$

Where:

"n" is the number of Range Accrual Days in the relevant Range Period on which the Range Accrual Coupon Condition is satisfied; and

"N" is the number of Range Accrual Days in the relevant Range Period.

If Deemed Range Accrual is specified as applicable in the applicable Final Terms, the FI DC Barrier Value for each Range Accrual Day in the period from (and including) the Range Cut-off Date to (and including) the Range Period End Date will be deemed to be the FI DC Barrier Value on the Range Cut-off Date.

(c) **Combination Floater Coupon**

If Combination Floater is specified as applicable in the applicable Final Terms:

$$\text{Min} \left( \text{Global Cap}, \text{Max} \left( \text{Global Floor}, \text{Global Margin} + \sum_{i=1}^n \text{Gearing}_{(i)} \times \text{FI Rate}_{(i)} \right) \right)$$

(d) **PRDC Coupon**

If PRDC Coupon is specified as applicable in the applicable Final Terms:

(i) if Knock-in Event is specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred, 0 (zero); or

(B) if a Knock-in Event has occurred:

Min (Cap, Max (Floor, (Coupon Percentage 1 x PRDC Performance) - Coupon Percentage 2));

(ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:

Min (Cap, Max (Floor, (Coupon Percentage 1 x PRDC Performance) - Coupon Percentage 2));

(iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

- (A) if a Knock-in Event has occurred but a Knock-out Event has not occurred:  

$$\text{Min (Cap, Max (Floor, (Coupon Percentage 1} \times \text{PRDC Performance) - Coupon Percentage 2))};$$
- (B) if (a) a Knock-in Event and a Knock-out Event have occurred or (b) a Knock-out Event has occurred, 0 (zero);

Where:

"**PRDC Performance**" means the quotient of the Final Settlement Price (as numerator) and the Initial Settlement Price (as denominator).

(e) **FI Digital Floor Coupon**

If the Securities are specified in the applicable Final Terms as being FI Digital Floor Coupon Securities:

- (i) if Knock-in Event is specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, 0 (zero);
  - (B) if a Knock-in Event has occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Interest Valuation Date:  

$$\text{Digital Floor Percentage 1; or}$$
  - (C) if a Knock-in Event has occurred and the FI Digital Floor Condition is not satisfied in respect of the relevant FI Interest Valuation Date:  

$$\text{Digital Floor Percentage 2.}$$
- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:
  - (A) if the FI Digital Floor Condition is satisfied in respect of the relevant FI Interest Valuation Date:  

$$\text{Digital Floor Percentage 1; or}$$
  - (B) if the FI Digital Floor Condition is not satisfied in respect of the relevant FI Interest Valuation Date:  

$$\text{Digital Floor Percentage 2; or}$$
- (iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, 0 (zero); or
  - (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Interest Valuation Date:  

$$\text{Digital Floor Percentage 1; or}$$

- (C) in all other cases:

Digital Floor Percentage 2.

(f) **FI Digital Cap Coupon**

If the Securities are specified in the applicable Final Terms as being FI Digital Cap Coupon Securities:

- (i) if Knock-in Event is specified as applicable in the applicable Final Terms:

- (A) if no Knock-in Event has occurred, 0 (zero);

- (B) if a Knock-in Event has occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Interest Valuation Date:

Digital Cap Percentage 1; or

- (C) if a Knock-in Event has occurred and the FI Digital Cap Condition is not satisfied in respect of the relevant FI Interest Valuation Date:

Digital Cap Percentage 2; or

- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:

- (A) if the FI Digital Cap Condition is satisfied in respect of the relevant FI Interest Valuation Date:

Digital Cap Percentage 1; or

- (B) if the FI Digital Cap Condition is not satisfied in respect of the relevant FI Interest Valuation Date:

Digital Cap Percentage 2; or

- (iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

- (A) if no Knock-in Event has occurred, 0 (zero); or

- (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Interest Valuation Date:

Digital Cap Percentage 1; or

- (C) in all other cases:

Digital Cap Percentage 2.

(g) **FI Target Coupon**

If the Securities are specified in the applicable Final Terms as being FI Target Coupon Securities and an Automatic Early Redemption Event has not occurred, the Rate of Interest or

Premium Amount Rate, as applicable in respect of the Target Final Interest Period shall be the Final Interest Rate specified in the applicable Final Terms.

### 3.2 Definitions for Fixed Income Interest Rates

"**Cap**" means the percentage specified as such in the applicable Final Terms;

"**Constant A**" means the percentage specified as such in the applicable Final Terms;

"**Constant B**" means the percentage specified as such in the applicable Final Terms;

"**Coupon Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Coupon Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**FI Lower Barrier Level**" means, in respect of an Underlying Reference, the number, level or percentage specified as such in the applicable Final Terms;

"**FI DC Barrier Value**" means, in respect of a FI Interest Valuation Date and an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference;

"**FI Digital Coupon Condition**" means:

- (a) in respect of Underlying Reference 1, that the FI DC Barrier Value for such Underlying Reference for the relevant FI Interest Valuation Date is (i)(a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the FI Upper Barrier Level and (ii) if a FI Lower Barrier Level is specified in the applicable Final Terms, (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the FI Lower Barrier Level; and
- (b) if Underlying Reference 2 is specified as applicable in the applicable Final Terms, in respect of Underlying Reference 2, that the FI DC Barrier Value for such Underlying Reference for the relevant FI Interest Valuation Date is (i)(a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the FI Upper Barrier Level and (ii) if a FI Lower Barrier Level is specified in the applicable Final Terms, (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the FI Lower Barrier Level;

"**FI Interest Valuation Date**" means each Underlying Interest Determination Date, Determination Valuation Date, Pricing Date, Averaging Date, Valuation Date, Interest Valuation Date and/or Settlement Price Date specified as such in the applicable Final Terms or each Range Accrual Day;

"**FI Rate**" means the Rate or Inflation Rate as specified in the applicable Final Terms;

"**FI Rate A**" means the Rate or Inflation Rate as specified in the applicable Final Terms;

"**FI Rate B**" means the Rate or Inflation Rate as specified in the applicable Final Terms;

"**FI Upper Barrier Level**" means, in respect of an Underlying Reference, the number, level or percentage specified as such in the applicable Final Terms;

"**Floor**" means the percentage specified as such in the applicable Final Terms;

"**Global Cap**" means the percentage specified as such in the applicable Final Terms;

"**Global Cap A**" means the percentage specified as such in the applicable Final Terms;

**"Global Cap B"** means the percentage specified as such in the applicable Final Terms;

**"Global Floor"** means the percentage specified as such in the applicable Final Terms;

**"Global Floor A"** means the percentage specified as such in the applicable Final Terms;

**"Global Floor B"** means the percentage specified as such in the applicable Final Terms;

**"Global Margin"** means the percentage specified as such in the applicable Final Terms;

**"Local Cap"** means the percentage specified as such in the applicable Final Terms;

**"Local Floor"** means the percentage specified as such in the applicable Final Terms;

**"Range Accrual Coupon Barrier Level Down"** means in respect of an Underlying Reference, the percentage specified as such in the applicable Final Terms;

**"Range Accrual Coupon Barrier Level Up"** means in respect of an Underlying Reference, the percentage specified as such in the applicable Final Terms;

**"Range Accrual Coupon Condition"** means, in respect of an Underlying Reference:

- (a) in respect of Underlying Reference 1, that the FI DC Barrier Value for such Underlying Reference for the relevant Range Accrual Day is (a)(i) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Down and (b) if a Range Accrual Coupon Barrier Level Up is specified in the applicable Final Terms, (i) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Up; or
- (b) if Underlying Reference 2 is specified as applicable in the applicable Final Terms, in respect of Underlying Reference 2, that the FI DC Barrier Value for such Underlying Reference for the relevant Range Accrual Day is (a)(i) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Down and (b) if a Range Accrual Coupon Barrier Level Up is specified in the applicable Final Terms, (i) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Up;;

**"Range Accrual Day"** means a Scheduled Trading Day, Business Day, Underlying Interest Determination Day or calendar day, as specified in the applicable Final Terms;

**"Range Cut-off Date"** means the date specified as such in the applicable Final Terms;

**"Range Period"** means the period specified as such in the applicable Final Terms;

**"Range Period End Date"** means the date specified as such in the applicable Final Terms; and

**"Rate"** means, in respect of a FI Interest Valuation Date, the fixed rate specified in or the floating rate calculated as provided in, the applicable Final Terms.

**"Target Coupon Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Target Determination Date"** means each date specified as such in the applicable Final Terms;

**"Target Final Interest Period"** means the Interest Period ending on the Redemption Date or Maturity Date, as applicable; and;

**"YoY Inflation Rate"** means  $[\text{Inflation Index}_{(i)}/\text{Inflation Index}_{(i-1)}] - 1$ ;

### 3.3 **Fixed Income Final Payouts**

The following final payouts which when multiplied by the applicable NA (each a **"Final Payout"**) will apply to the Securities if specified in the applicable Final Terms.

#### (a) **FI FX Vanilla Securities**

If the Securities are specified in the applicable Final Terms as being FI FX Vanilla Securities:

- (i) if Knock-in Event is specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, 0 (zero); or
  - (B) if a Knock-in Event has occurred:  
Gearing x Option;
- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:  
Gearing x Option;
- (iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:
  - (A) if a Knock-in Event has occurred but a Knock-out Event has not occurred:  
Gearing x Option;
  - (B) if (a) a Knock-in Event and a Knock-out Event have occurred or (b) a Knock-out Event has occurred, 0 (zero).

Where:

**"Option"** means  $\text{Max}(\text{Performance Value}, \text{Floor})$ ;

#### (b) **FI Digital Floor Securities**

If the Securities are specified in the applicable Final Terms as being FI Digital Floor Securities:

- (i) if Knock-in Event is specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, 0 (zero);
  - (B) if a Knock-in Event has occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Redemption Valuation Date:  
Digital Floor Percentage 1; or
  - (C) if a Knock-in Event has occurred and the FI Digital Floor Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:

Digital Floor Percentage 2.

- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:
  - (A) if the FI Digital Floor Condition is satisfied in respect of the relevant FI Redemption Valuation Date:  
Digital Floor Percentage 1; or
  - (B) if the FI Digital Floor Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:  
Digital Floor Percentage 2; or
- (iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, 0 (zero); or
  - (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Redemption Valuation Date:  
Digital Floor Percentage 1; or
  - (C) in all other cases:  
Digital Floor Percentage 2.

(c) **FI Digital Cap Securities**

If the Securities are specified in the applicable Final Terms as being FI Digital Cap Securities:

- (i) if Knock-in Event is specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, 0 (zero);
  - (B) if a Knock-in Event has occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Redemption Valuation Date:  
Digital Cap Percentage 1; or
  - (C) if a Knock-in Event has occurred and the FI Digital Cap Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:  
Digital Cap Percentage 2; or
- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:
  - (A) if the FI Digital Cap Condition is satisfied in respect of the relevant FI Redemption Valuation Date:  
Digital Cap Percentage 1; or
  - (B) if the FI Digital Cap Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:

Digital Cap Percentage 2; or

- (iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

- (A) if no Knock-in Event has occurred, 0 (zero); or
- (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Redemption Valuation Date:

Digital Cap Percentage 1; or

- (C) in all other cases:

Digital Cap Percentage 2.

(d) **FI Digital Plus Securities**

If the Securities are specified in the applicable Final Terms as being FI Digital Plus Securities:

- (i) if Knock-in Event is specified as applicable in the applicable Final Terms:

- (A) if no Knock-in Event has occurred, 0 (zero); or
- (B) if a Knock-in Event has occurred and the FI Digital Plus Condition is satisfied in respect of the relevant FI Redemption Valuation Date:

Max (Digital Plus Percentage 1, (Gearing x FI Digital Value)); or

- (C) if a Knock-in Event has occurred and the FI Digital Plus Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:

Digital Plus Percentage 2;

- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:

- (A) if the FI Digital Plus Condition is satisfied in respect of the relevant FI Redemption Valuation Date:

Max (Digital Plus Percentage 1, (Gearing x FI Digital Value)); or

- (B) if the FI Digital Plus Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:

Digital Plus Percentage 2;

- (iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

- (A) if no Knock-in Event has occurred, 0 (zero); or
- (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Plus Condition is satisfied in respect of the relevant FI Redemption Valuation Date:



Max (Digital Plus Percentage 1, (Gearing x FI Digital Value)); or

(C) in all other cases:

Digital Plus Percentage 2.

(e) **FI Inflation Securities**

If the Securities are specified in the applicable Final Terms as being FI Inflation Securities:

Max [100%, Cumulative Inflation Rate]

**3.4 Fixed Income Automatic Early Redemption Payouts**

If Automatic Early Redemption is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, the Automatic Early Redemption Payout shall be:

(a) If Target Automatic Early Redemption is specified as applicable in the applicable Final Terms,

$NA \times (100\% + \text{Final Interest Rate})$ ;

(b) If FI Underlying Automatic Early Redemption is specified as applicable in the applicable Final Terms,

NA

(c) If FI Coupon Automatic Early Redemption is specified as applicable in the applicable Final Terms,

$NA \times (100\% + (\text{Min}(\text{Coupon Cap}, \text{Final Coupon Rate}) \times \text{Final Day Count Fraction}))$ .

**3.5 Definitions for Fixed Income Automatic Early Redemption Payouts**

"**Coupon Cap**" means the percentage specified as such in the applicable Final Terms;

"**Cumulative Inflation Rate**" means  $\text{Inflation Index}_{(i)} / \text{Inflation Index}_{(\text{base})}$ ;

"**Final Interest Rate**" means:

(a) if Capped and Guaranteed Applicable is specified in the applicable Final Terms, the Automatic Early Redemption Percentage or Target Coupon Percentage, as applicable, less Paid Coupon;

(b) if Capped and Guaranteed Not Applicable is specified in the applicable Final Terms, the product of the Final Coupon Rate and the Final Day Count Fraction;

(c) if Capped Only is specified in the applicable Final Terms:

$\text{Min}(\text{Final Coupon Rate} \times \text{Final Day Count Fraction}, \text{Automatic Early Redemption Percentage or Target Coupon Percentage, as applicable,} - \text{Paid Coupon})$ ;

(d) If Guaranteed Only is specified in the applicable Final Terms:

$\text{Max}(\text{Final Coupon Rate} \times \text{Final Day Count Fraction}, \text{Automatic Early Redemption Percentage or Target Coupon Percentage, as applicable,} - \text{Paid Coupon})$ .

### 3.6 General definitions for Fixed Income Interest Rates, Final Payouts and Automatic Early Redemption Payouts

"**Best Value**" means, in respect of a FI Valuation Date, the highest Performance Value for any Subject Currency in the basket in respect of such FI Valuation Date;

"**Digital Cap Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Digital Cap Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Digital Floor Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Digital Floor Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Digital Plus Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Digital Plus Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**FI Digital Cap Condition**" means the FI Digital Value for the relevant FI Valuation Date is greater than or equal to the FI Digital Cap Level;

"**FI Digital Cap Level**" means (a) the FX Digital Level or (b) the level specified as such, in each case, as specified in the applicable Final Terms;

"**FI Digital Floor Condition**" means the FI Digital Value for the relevant FI Valuation Date is less than or equal to the FI Digital Floor Level;

"**FI Digital Floor Level**" means (a) the FX Digital Level or (b) the level specified as such, in each case, as specified in the applicable Final Terms;

"**FI Digital Plus Condition**" means the FI Digital Value for the relevant FI Valuation Date is greater than the FI Digital Plus Level;

"**FI Digital Plus Level**" means (a) the FX Digital Level or (b) the level specified as such, in each case, as specified in the applicable Final Terms;

"**FI Digital Value**" means, in respect of a FI Valuation Date, the Performance Value, Worst Value, Best Value, Multi-Basket Value or Weighted Average FI Basket Value as specified in the applicable Final Terms;

"**FI Redemption Valuation Date**" means each Settlement Price Date specified as such in the applicable Final Terms;

"**FI Valuation Date**" means each FI Redemption Valuation Date or an FI Interest Valuation Date specified in the applicable Final Terms;

"**FI Weighting**" means, in respect of a Subject Currency, the number, amount or percentage specified as such for such Subject Currency in the applicable Final Terms;

"**Final Coupon Rate**" means the Rate of Interest calculated in respect of the Current Interest Period or Target Final Interest Period, as applicable (the "**Final Interest Period**");

"**Final Day Count Fraction**" means the Day Count Fraction applicable to the Final Interest Period; and

**"Final Settlement Price"** means (i) if Averaging is specified as not applicable in the applicable Final Terms, the Settlement Price on the relevant FI Valuation Date or (ii) if Averaging is specified as applicable in the applicable Final Terms, the arithmetic average of the Settlement Prices for all Averaging Dates;

**"Floor"** means the percentage specified as such in the applicable Final Terms;

**"G"** means, in respect of a Subject Currency, the percentage specified as such for such Subject Currency in the applicable Final Terms;

**"Gearing"** means the percentage specified as such in the applicable Final Terms;

**"Gearing A"** means the percentage specified as such in the applicable Final Terms;

**"Gearing B"** means the percentage specified as such in the applicable Final Terms;

**"Initial Settlement Price"** means, in respect of a Subject Currency:

- (a) the amount specified as such in the applicable Final Terms; or
- (b) if Initial Closing Value is specified as applicable in the applicable Final Terms, the Settlement Price for such Subject Currency on the Strike Date; or
- (c) if Initial Average Value is specified as applicable in the applicable Final Terms, the arithmetic average of the Settlement Prices for such Subject Currency for all the Strike Days in the Strike Period.

**"Inflation Index<sub>(i)</sub>"** means, in respect of an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference in respect of the relevant FI Valuation Date;

**"Inflation Index<sub>(i-1)</sub>"** means, in respect of an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference on the immediately preceding FI Valuation Date (or, if none, the Strike Date);

**"Inflation Index<sub>(base)</sub>"** means, in respect of an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference on the Strike Date;

**"Inflation Rate"** means, in respect of a FI Valuation Date, YoY Inflation Rate or Cumulative Inflation Rate, as specified in the applicable Final Terms;

**"Multi-Basket Value"** means, in respect of a FI Valuation Date:

$$\sum_{j=1}^m \sum_{i=1}^n G_j * (W_i * Performance Value_i)$$

**"NA"** means, in respect of a W&C Security, the Notional Amount or, in respect of a Note, the Calculation Amount;

**"Paid Coupon"** means, in respect of an Automatic Early Redemption Valuation Date or Target Determination Date, the sum of the values calculated for each Interest Period as the product of (i) the Rate of Interest and (ii) the Day Count Fraction, in each case calculated for such Interest Period preceding the Current Interest Period (in the case of an Automatic Early Redemption Valuation Date) or the Target Final Interest Period (in the case of a Target Determination Date);

**"Performance Value"** means, in respect of an FI Valuation Date:

- (a) if Performance Value 1 is specified in the applicable Final Terms,  
Final Settlement Price – Initial Settlement Price;
- (b) if Performance Value 2 is specified in the applicable Final Terms,  
Initial Settlement Price – Final Settlement Price;
- (c) if Performance Value 3 is specified in the applicable Final Terms,  
$$\frac{(\text{Final Settlement Price} - \text{Initial Settlement Price})}{\text{Final Settlement Price}};$$
- (d) if Performance Value 4 is specified in the applicable Final Terms,  
$$\frac{(\text{Initial Settlement Price} - \text{Final Settlement Price})}{\text{Final Settlement Price}};$$
- (e) if Performance Value 5 is specified in the applicable Final Terms,  
$$\left( \frac{1}{\text{Initial Settlement Price}} \right) - \left( \frac{1}{\text{Final Settlement Price}} \right);$$
- (f) if Performance Value 6 is specified in the applicable Final Terms,  
$$\left( \frac{1}{\text{Final Settlement Price}} \right) - \left( \frac{1}{\text{Initial Settlement Price}} \right);$$
- (g) if Performance Value 7 is specified in the applicable Final Terms,  
$$\frac{(\text{Final Settlement Price} - \text{Initial Settlement Price})}{\text{Initial Settlement Price}};$$
- (h) if Performance Value 8 is specified in the applicable Final Terms,  
$$\frac{(\text{Initial Settlement Price} - \text{Final Settlement Price})}{\text{Initial Settlement Price}};$$
- (i) if Performance Value 9 is specified in the applicable Final Terms,  
$$\frac{\text{Final Settlement Price}}{\text{Initial Settlement Price}};$$
- (j) if Performance Value 10 is specified in the applicable Final Terms,  
$$\frac{\text{Initial Settlement Price}}{\text{Final Settlement Price}}.$$

**"Underlying Reference"** means, for the purposes of the Fixed Income Payouts, each Inflation Index, Subject Currency, Underlying Interest Rate or other basis of reference to which the relevant Securities relate;

**"Underlying Reference 1"** means the Underlying Reference specified as such in the applicable Final Terms;

**"Underlying Reference 2"** means the Underlying Reference specified as such in the applicable Final Terms;

**"Underlying Reference Closing Value"** means, in respect of a FI Interest Valuation Date:

(a) if the relevant Underlying Reference is an Inflation Index, the Relevant Level (as defined in the Inflation Linked Conditions); or

(b) if the relevant Underlying Reference is a rate of interest, the Underlying Reference Rate,

in each case in respect of such day;

**"W"** means, in respect of a Subject Currency, the FI Weighting for such Subject Currency;

**"Weighted Average FI Basket Value"** means, in respect of a FI Valuation Date, the sum of the values calculated for each Subject Currency in the basket as (a) the Performance Value for such Subject Currency for such FI Valuation Date (b) multiplied by the relevant FI Weighting;

**"Worst Value"** means, in respect of a FI Valuation Date, the lowest Performance Value for any Subject Currency in the basket in respect of such FI Valuation Date.

#### **4. FORMULAE CONSTITUENTS AND COMPLETION**

The constituent parts (each a **"Formula Constituent"**) of any formula (each a **"Formula"**) used in the Payout Conditions and which are to be specified in the applicable Final Terms may be replaced in the applicable Final Terms by the prescribed amount, level, percentage or other value, as applicable for such Formula Constituent.

If a Formula Constituent has a value of either 0 (zero) or 1 (one), or is not applicable in respect of the relevant Securities, then the related Formula may be simplified in the applicable Final Terms by deleting such Formula Constituent.

#### **5. CALCULATION AGENT**

The calculation or determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to the Securities shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor and the Holders. Whenever the Calculation Agent is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation. In performing its duties pursuant to the Securities, the Calculation Agent shall, unless otherwise specified, act in good faith and in a commercially reasonable manner. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Securities shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent, the Issuer or the Guarantor shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

## ANNEX 2

### ADDITIONAL TERMS AND CONDITIONS FOR INDEX SECURITIES

If specified as applicable in the applicable Final Terms, (a) the terms and conditions applicable to Notes specified in the applicable Final Terms as Index Securities shall comprise the terms and conditions of Notes (the "**Note Conditions**") and the additional Terms and Conditions for Index Securities set out below (the "**Index Security Conditions**") and (b) the terms and conditions applicable to W&C Securities specified in the applicable Final Terms as Index Securities shall comprise terms and conditions of W&C Securities (the "**W&C Security Conditions**") and the Index Security Conditions, in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Note Conditions or the W&C Security Conditions, as applicable, and (ii) the Index Security Conditions, the Index Security provisions shall prevail. References in the Index Security Conditions to "Security" or "Securities" shall be deemed to be references to "Note" and "Notes" or "W&C Security" and "W&C Securities" as the context admits.

#### 1. Definitions

**"Basket of Indices"** means a basket composed of each Index specified in the applicable Final Terms in the weightings specified in the applicable Final Terms;

**"Clearance System"** means the principal domestic clearance system customarily used for settling trades in the relevant securities;

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

**"Closing Level"** means, in respect of an Index and a Scheduled Trading Day, the official closing level of such Index on such day as determined by the Calculation Agent, subject as provided in Index Security Condition 3 (Adjustments to an Index);

**"Component Security"** means, in respect of a Composite Index, each component security of such Index;

**"Composite Index"** means any Index specified as such in the applicable Final Terms, or if not so specified, any Index which the Calculation Agent determines to be such an Index;

**"Disrupted Day"** means:

- (a) in respect of any Composite Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of such Index, (ii) the Related Exchange fails to open for trading during its regular trading session, or (iii) a Market Disruption Event has occurred; and
- (b) in respect of an Index that is not a Composite Index, any Scheduled Trading Day on which (i) the relevant Exchange and/or any Related Exchange fails to open for trading during its regular trading session or (ii) a Market Disruption Event has occurred;

**"Early Closure"** means:

- (a) in respect of a Composite Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day; and
- (b) in the case of an Index which is not a Composite Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"Exchange"** means:

- (a) in the case of a Composite Index, in respect of each Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent; and
- (b) in the case of any Index which is not a Composite Index, in respect of such Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange);

**"Exchange Business Day"** means either (a) in the case of a single Index, Exchange Business Day (Single Index Basis) or (b) in the case of a Basket of Indices, (i) Exchange Business Day (All Indices Basis) or (ii) Exchange Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Exchange Business Day (All Indices Basis) shall apply;

**"Exchange Business Day (All Indices Basis)"** means any Scheduled Trading Day on which (a) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange, if any, are open for trading during their respective regular trading session(s) in respect of such Indices, notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time and (b) in respect of any Composite Indices, (i) the Index Sponsor publishes the level of such Composite Indices and (ii) each Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Indices, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Per Index Basis)"** means, in respect of an Index, any Scheduled Trading Day on which (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are open for trading during their regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (b) in respect of a Composite Index, (i) the relevant Index Sponsor publishes the level of such Composite Index and (ii) the Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Index, notwithstanding such Related Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Single Index Basis)"** means any Scheduled Trading Day on which (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to its Scheduled Closing Time and (b) in respect of a Composite Index (i) the relevant Index Sponsor publishes the level of such Composite Index and (ii) the relevant Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Index, notwithstanding such Related Exchange closing prior to its Scheduled Closing Time;

**"Exchange Disruption"** means:

- (a) in respect of a Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (i) any Component Security on the Exchange in respect of such Component Security or (ii) in futures or options contracts relating to such Index on the Related Exchange; and
- (b) in the case of an Index which is not a Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange;

**"Index"** and **"Indices"** mean, subject to adjustment in accordance with this Annex 2, the index or indices specified in the applicable Final Terms and related expressions shall be construed accordingly;

**"Index Correction Period"** means (a) the period specified in the applicable Final Terms, or (b) if none is so specified, one Settlement Cycle;

**"Index Sponsor"** means, in relation to an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, which as of the Issue Date is the index sponsor specified for such Index in the applicable Final Terms;

**"Intraday Level"** means, in respect of an Index and any time on a Scheduled Trading Day, the level of such Index at such time on such day as determined by the Calculation Agent, subject as provided in Index Security Condition 3 (Adjustments to an Index);

**"Related Exchange"** means, in relation to an Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating



to such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, "**Related Exchange**" shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index;

**"Scheduled Trading Day"** means either (a) in the case of a single Index, Scheduled Trading Day (Single Index Basis) or (b) in the case of a Basket of Indices, (i) Scheduled Trading Day (All Indices Basis) or (ii) Scheduled Trading Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Scheduled Trading Day (All Indices Basis) shall apply;

**"Scheduled Trading Day (All Indices Basis)"** means any day on which (a) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange, if any, are scheduled to be open for trading during their respective regular trading session(s) in respect of such Indices, and (b) in respect of any Composite Indices, (i) the Index Sponsor is scheduled to publish the level of such Composite Indices and (ii) each Related Exchange, if any, is scheduled to be open for trading during its regular trading session in respect of such Composite Indices;

**"Scheduled Trading Day (Per Index Basis)"** means, in respect of an Index, any day on which (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are scheduled to be open for trading during their respective regular trading session(s), and (b) in respect of a Composite Index, (i) the relevant Index Sponsor is scheduled to publish the level of such Composite Index and (ii) the relevant Related Exchange, if any, is scheduled to be open for trading during its regular trading session in respect of such Composite Index;

**"Scheduled Trading Day (Single Index Basis)"** means any day on which (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, are scheduled to be open for trading during their respective regular trading session(s), and (b) in respect of a Composite Index (i) the relevant Index Sponsor is scheduled to publish the level of such Composite Index and (ii) the relevant Related Exchange, if any, is scheduled to be open for trading during its regular trading session in respect of such Composite Index;

**"Settlement Cycle"** means, in respect of an Index, the period of Clearance System Days following a trade in the security comprising such Index on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Security or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex 2 and as referred to in "Strike Date", "Averaging Date", "Observation Date" or "Valuation Date", as the case may be:

- (a) in the case of Index Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value on the same basis as the Exercise Price (in the case of Warrants) or in the Index Currency (in the case of Notes or Certificates)) equal to the official closing level or official opening level, as specified in the applicable Final Terms, for such Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of such Index determined by

the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and

- (b) in the case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value on the same basis as the Exercise Price (in the case of Warrants) or in the Index Currency (in the case of Notes or Certificates)) equal to the official closing level or official opening level, as specified in the applicable Final Terms, of the Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date;

**"Settlement Price Date"** means the Strike Date, an Observation Date or the Valuation Date, as the case may be; and

**"Trading Disruption"** means:

- (a) in respect of a Composite Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to such Index on the Related Exchange; and
- (b) in the case of an Index which is not a Composite Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to securities that comprise 20 per cent. or more of the level of the relevant Index; or (ii) in futures or options contracts relating to the relevant Index on any relevant Related Exchange.

## 2. **Market Disruption**

**"Market Disruption Event"** means:

- (a) in respect of a Composite Index either:
  - (i) (A) the occurrence or existence, in respect of any Component Security, of:
    - (1) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded;
    - (2) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time

in respect of the Exchange on which such Component Security is principally traded; or

- (3) an Early Closure in respect of such Component Security; and
- (B) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Index; or
- (ii) the occurrence or existence, in respect of futures or options contracts relating to such Index, of: (A) a Trading Disruption; (B) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the Valuation Time in respect of the Related Exchange; or (C) an Early Closure, in each case in respect of such futures or options contracts.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component Security at any time, if a Market Disruption Event occurs in respect of such Component Security at that time, then the relevant percentage contribution of that Component Security to the level of such Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that Component Security to (y) the overall level of such Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "opening data"; and

- (b) in the case of Indices other than Composite Indices, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of such Index exists at any time, if a Market Disruption Event occurs in respect of a security included in such Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (A) the portion of the level of such Index attributable to that security and (B) the overall level of such Index, in each case immediately before the occurrence of such Market Disruption Event.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with W&C Security Condition 10 in the case of W&C Securities or Note Condition 16, as applicable, of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date or a Valuation Date, as the case may be.

### **3. Adjustments to an Index**

#### **3.1 Successor Index Sponsor Calculates and Reports an Index**

If a relevant Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent, or (b) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

### 3.2 Modification and Cessation of Calculation of an Index

If (a) on or prior to the last Averaging Date, the last Observation Date or the last Valuation Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**"), or permanently cancels a relevant Index and no Successor Index exists (an "**Index Cancellation**"), or (b) on an Averaging Date, an Observation Date or a Valuation Date, the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**") and, together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**"), then, except as may be limited in the case of U.S. Securities:

- (a) the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the relevant value, level or price using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on that Valuation Date, that Observation Date or that Averaging Date, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that Index Adjustment Event; or
- (b) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with W&C Security Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Condition 10; or
- (c) in the case of Notes or Certificates:
  - (i) unless Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable; or
  - (ii) if Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Index Adjustment Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Index Adjustment Amount**") as

soon as practicable following the occurrence of the Index Adjustment Event (the "**Calculated Index Adjustment Amount Determination Date**") and on the Redemption Date (in the case of Certificates) or the Maturity Date (in the case of Notes) shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Index Adjustment Amount plus interest accrued from and including the Calculated Index Adjustment Amount Determination Date to but excluding the Redemption Date or the Maturity Date, as the case may be, at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Notional Amount (in the case of a Certificate) or at its nominal amount (in the case of a Note).

### 3.3 **Notice**

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to paragraph 3.2 above and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

## 4. **Correction of Index**

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment under the Securities, if the Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor, (a) in respect of a Composite Index, no later than five Exchange Business Days following the date of the original publication, or (b) in respect of an Index which is not a Composite Index, within the number of days equal to the Index Correction Period of the original publication, the level to be used shall be the level of the Index as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

## 5. **Custom Index**

Index Security Conditions 6 to 8 apply if "Custom Index" is specified as applicable in the applicable Final Terms. In the event of any inconsistency between the provisions of Index Security Conditions 6 to 8 and the other Index Security Conditions, the provisions of Index Security Conditions 6 to 8 shall prevail.

## 6. **Adjustments to a Custom Index and Custom Index Disruption**

### 6.1 **Successor Index Sponsor Calculates and Reports an Index**

If a relevant Custom Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent, or (b) replaced by a successor custom index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Custom Index, then in each case that custom index (the "**Successor Custom Index**") will be deemed to be the Custom Index.

## 6.2 **Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption**

If (a) on or prior to the last Valuation Date, the last Observation Date or the last Averaging Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Custom Index or in any other way materially modifies that Custom Index (other than a modification prescribed in that formula or method to maintain that Custom Index in the event of changes in constituent components and capitalisation, contracts or commodities and other routine events) (a "**Custom Index Modification**"), or permanently cancels a relevant Custom Index and no Successor Custom Index exists (a "**Custom Index Cancellation**"), or (b) on a Valuation Date, an Observation Date or an Averaging Date, the Index Sponsor or (if applicable) the Successor Custom Index Sponsor fails to calculate and announce a relevant Custom Index or it is not a Custom Index Business Day (a "**Custom Index Disruption**" and, together with a Custom Index Modification and a Custom Index Cancellation, each a "**Custom Index Adjustment Event**"), then:

- (a) in the case of Custom Index Securities relating to a single Custom Index where Scheduled Custom Index Business Days (Single Index Basis) is specified as applicable in the applicable Final Terms, then:
  - (i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the last Valuation Date, last Averaging Date or last Observation Date, then such Valuation Date, Averaging Date or Observation Date, as the case may be, shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption is not occurring, unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, notwithstanding the Custom Index Disruption and the Calculation Agent shall determine the relevant level, value or price by using commercially reasonable efforts to determine the level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index;
  - (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date), an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date), the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:
    - (A) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the Strike Date, an Averaging Date or Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date or Observation Date, as the case may be) unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the

Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date or Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date or Observation Date, as the case may be) and may determine the relevant level, value or price by using commercially reasonable efforts to determine a level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index; or

- (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders in accordance with W&C Security Condition 10 or Note Condition 16 and such index shall become the Successor Custom Index and shall be deemed to be the "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent in its sole and absolute discretion determines appropriate; or
- (C) the Calculation Agent may determine in its sole and absolute discretion such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D) in the case of Warrants, the Calculation Agent may require the Issuer to cancel the Warrants in which case it will so notify the Issuer and the Issuer will give notice to Holders in accordance with W&C Security Condition 10. If the Warrants are so cancelled the Issuer will pay an amount to each Holder in respect of each Warrant being cancelled at an amount equal to the fair market value of each Warrant, taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Condition 10; or
- (E) in the case of Notes or Certificates:
  - I. unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect

of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Conditions 10 or Note Condition 16, as applicable; or

II. if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and on the Redemption Date (in the case of Certificates) or the Maturity Date (in the case of Notes) shall redeem each Security at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Redemption Date (in the case of Certificates) or the Maturity Date (in the case of Notes) at a rate equal to the Issuer's funding cost at such time; or

(F) in the case of a Custom Index Modification which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of the Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.

(b) in the case of Custom Index Securities relating to a Basket of Custom Indices where Scheduled Custom Index Business Days (All Indices Basis) is specified as applicable in the applicable Final Terms, then:

(i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring in respect of any Custom Index (each an "**Affected Custom Index**") on the last Valuation Date, last Averaging Date or last Observation Date, then such Valuation Date, Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption is not occurring in respect of any of the Custom Indices in the Basket, unless there is a Custom Index Disruption in



respect of any one of the Custom Indices in the Basket on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket, notwithstanding the Custom Index Disruption in respect of an Affected Custom Index and the Calculation Agent shall determine the relevant level, value or price by using (X) in respect of any Custom Index which is not an Affected Custom Index, the method provided for in part (i) of the definition of "Settlement Price" contained in Index Security Condition 8 and (Y) in respect of any Custom Index in the Basket which is an Affected Custom Index, commercially reasonable efforts to determine the level of the relevant Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index;

- (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date) or an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:
  - (A) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the Strike Date, an Averaging Date or Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date or Observation Date, as the case may be) on which a Custom Index Disruption is not occurring in respect of any Custom Index (each an "**Affected Custom Index**") comprised in the Basket unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date or Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date or Observation Date, as the case may be) for all Custom Indices in the Basket and may determine the Settlement Price by using (X) in respect of any Custom Index in the Basket which is not an Affected Custom Index, the method provided for in part (i) of the definition of "Settlement Price" contained in Index Security Condition 8 (Definitions relating to Custom Indices) below and (Y) in respect of any Custom Index in the Basket which is an Affected Custom Index, commercially reasonable efforts to determine

a level of the relevant Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index; or

- (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders in accordance with W&C Security Condition 10 or Note Condition 16 and such index shall become the Successor Custom Index and shall be deemed to be a "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent in its sole and absolute discretion determines appropriate; or
- (C) the Calculation Agent may determine in its sole and absolute discretion such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D) in the case of Warrants, the Calculation Agent may require the Issuer to cancel the Warrants in which case it will so notify the Issuer and the Issuer will give notice to Holders in accordance with W&C Security Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant being cancelled at an amount equal to the fair market value of each Warrant, taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Condition 10; or
- (E) in the case of Notes or Certificates:
  - I. unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable; or

- II. if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Security Agent shall calculate the fair market value of each Certificate taking into account the Custom Index Adjustment Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and on the Redemption Date (in the case of Certificates) or the Maturity Date (in the case of Notes) shall redeem each Security at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Redemption Date (in the case of Certificates) or the Maturity Date (in the case of Notes) at a rate equal to the Issuer's funding cost at such time; or
- (F) in the case of a Custom Index Modification which occurs in respect of a Custom Index in the Basket which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of such Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.
- (c) in the case of Custom Index Securities relating to a Basket of Custom Indices where Scheduled Custom Index Business Days (Per Index Basis) is specified as applicable in the applicable Final Terms, then:
- (i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the last Valuation Date, last Averaging Date or last Observation Date, then the Valuation Date, Averaging Date or Observation Date, as the case may be, for each Custom Index not affected by the occurrence of the Custom Index Disruption shall be the scheduled last Valuation Date, last Averaging Date or last Observation Date, as the case may be, and the Valuation Date, Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket affected by the Custom Index Disruption (each an "**Affected Custom Index**") shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption is not occurring in respect of such Affected Custom Index, unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, for the relevant Affected Custom Index and

the Calculation Agent shall determine the relevant level, value or price by using commercially reasonable efforts to determine the level of the relevant Affected Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Affected Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Affected Custom Index;

(ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date) or an Observation Date (other than the last Observation Date) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:

(A) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the Strike Date, an Averaging Date or Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket not affected by the occurrence of the Custom Index Disruption shall be the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, and the Strike Date, Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket affected by the Custom Index Disruption (each an "**Affected Custom Index**") shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date or Observation Date, as the case may be) on which a Custom Index Disruption is not occurring in respect of such Affected Custom Index unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date or Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date or Observation Date, as the case may be) for the relevant Affected Custom index and may determine the relevant level, value or price by using commercially reasonable efforts to determine a level of the relevant Affected Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Affected Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index; or

(B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall

promptly notify the Holders and such index shall become the Successor Custom Index and shall be deemed to be the "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent in its sole and absolute discretion determines appropriate; or

- (C) the Calculation Agent may determine in its sole and absolute discretion such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D) in the case of Warrants, the Calculation Agent may require the Issuer to cancel the Warrants, in which case it will so notify the Issuer and the Issuer will give notice to Holders in accordance with W&C Security Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant being cancelled at an amount equal to the fair market value of a Warrant, taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Condition 10; or
- (E) in the case of Notes or Certificates;
  - I. unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may require the Issuer to redeem the Securities, in which case it will so notify the Issuer and the Issuer will give notice to the Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable. If the Securities are so redeemed, the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable; or
  - II. if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Custom Index Adjustment Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and on the Redemption

Date (in the case of Certificates) or the Maturity Date (in the case of Notes) shall redeem each Security at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Redemption Date (in the case of Certificates) or the Maturity Date (in the case of Notes) at a rate equal to the Issuer's funding cost at such time; or

- (F) in the case of a Custom Index Modification which occurs in respect of a Custom Index in the Basket on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of such Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.

### 6.3 Notice

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to Index Security Condition 6.2 above and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

## 7. Correction of Custom Index

With the exception of any corrections published after the day which is three Scheduled Custom Index Business Days prior to the due date for any payment under the Securities calculated by reference to the level of a Custom Index, if the level of the Custom Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities, is subsequently corrected and the correction published by the relevant Index Sponsor within the number of days equal to the Custom Index Correction Period of the original publication, the level to be used shall be the level of the Custom Index as so corrected. Corrections published after the day which is three Scheduled Custom Index Business Days prior to a due date for payment under the Securities calculated by reference to the level of the Custom Index will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

## 8. Definitions relating to Custom Indices

**"Averaging Date"** means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) shall apply;

**"Banking Day"** means any week day except for 25 December and 1 January in any year;

**"Basket"** and **"Basket of Custom Indices"** means a basket comprised of two or more Custom Indices;

**"Closing Level"** means, in respect of a Custom Index and a Customs Index Business Day, the level of such Custom Index published by the Index Sponsor in respect of such day as determined by the Calculation Agent, subject as provided in Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);

**"Custom Index"** or **"Custom Indices"** mean, subject to adjustment in accordance with this Annex 2, any index or indices specified as such in the applicable Final Terms, or if not so specified, any Index which the Calculation Agent determines to be such an Index;

**"Custom Index Business Day"** means either (a) in the case of a single Index, Custom Index Business Day (Single Index Basis) or (b) in the case of a Basket of Indices, Custom Index Business Day (All Indices Basis) or Custom Index Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Custom Index Business Day (All Indices Basis) shall apply;

**"Custom Index Business Day (All Indices Basis)"** means any Scheduled Custom Index Business Day in respect of which (a) the level of the Index is calculated and made available and (b) it is a Custom Index Trading Day in respect of all Indices in the Basket;

**"Custom Index Business Day (Per Index Basis)"** means, in respect of an Index, any Scheduled Custom Index Business Day in respect of which (a) the level of the Index is calculated and made available and (b) it is Custom Index Trading Day;

**"Custom Index Business Day (Single Index Basis)"** means any Scheduled Custom Index Business Day on which (a) the level of the Index is calculated and made available and (b) it is a Custom Index Trading Day;

**"Custom Index Correction Period"** means the period specified in the applicable Final Terms or if none is so specified, ten (10) Scheduled Custom Index Business Days following the date on which the original level was calculated and made available by the Index Sponsor and being the date after which all corrections to the level of the Index shall be disregarded for the purposes of any calculations to be made using the level of the Index;

**"Custom Index Trading Day"** means, in respect of a Custom Index, any day with respect to which the Issuer and/or any of its Affiliates determines in its sole and absolute discretion it is able to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any asset it deems necessary to hedge its obligations in respect of such Index under the Securities;

**"Disrupted Day"** means any Scheduled Custom Index Business Day on which a Custom Index Disruption has occurred or is continuing in the sole and absolute discretion of the Calculation Agent;

**"Index Sponsor"** means, in relation to a Custom Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Custom Index and (b) ensures the calculation and publication of the level of such Custom Index on a regular basis (directly or through an agent) in accordance with the rules of the Custom Index, which as of the Issue Date of the Securities is the index sponsor specified for such Custom Index in the applicable Final Terms;

**"Intraday Level"** means, in respect of a Custom Index and any time on a Custom Index Business Day, the level of such Custom Index published by the Index Sponsor in respect of such time or such day as determined by the Calculation Agent, subject as provided in Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);

**"Observation Date"** means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) below shall apply;

**"Observation Period"** means the period specified as the Observation Period in the applicable Final Terms;

**"Scheduled Custom Index Business Day"** means either (a) in the case of a single Index, Scheduled Custom Index Business Day (Single Index Basis) or (b) in the case of a Basket of Custom Indices, Scheduled Custom Index Business Day (All Indices Basis) or Scheduled Custom Index Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Scheduled Custom Index Business Day (All Indices Basis) shall apply;

**"Scheduled Custom Index Business Day (All Indices Basis)"** means any Banking Day (a) in respect of which the level of the Index is scheduled to be calculated and made available and (b) that is a Custom Index Trading Day in respect of all Custom Indices in the Basket;

**"Scheduled Custom Index Business Day (Per Index Basis)"** means in respect of an Index, any Banking Day (a) on which the level of the Index is scheduled to be calculated and made available and (b) that is a Custom Index Trading Day;

**"Scheduled Custom Index Business Day (Single Index Basis)"** means any Banking Day on which (a) the level of the Index is scheduled to be calculated and made available and (b) that is a Custom Index Trading Day;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, subject to the provisions of this Annex and as referred to in "Valuation Date" or "Averaging Date" or "Observation Date", as the case may be:

- (a) in the case of Index Securities relating to a Basket of Custom Indices and in respect of each Index comprising the Basket of Custom Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the level for each such Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of each such Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, any of the "Strike Date", "Knock-in Determination Day", "Knock-out Determination Day", "Observation Date" or the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (b) in the case of Index Securities relating to a single Index, an amount equal to the level of the Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, any of the "Strike Date", "Knock-in Determination Day", "Knock-out Determination Day", "Observation Date" or the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date;

**"Specified Maximum Days of Disruption"** means the number of days specified in the applicable Final Terms, or if not so specified, 20 Scheduled Custom Index Business Days;



**"Strike Date"** means the date(s) specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) below shall apply;

**"Strike Price"** means, subject as referred to in "Strike Date" above:

- (a) in the case of Index Securities relating to a single Index, an amount equal to the level of the Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date; and
- (b) in the case of Index Securities relating to a Basket of Custom Indices and in respect of each Index comprising the Basket, an amount equal to the level of each such Index published by the relevant Index Sponsor, in each case as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of such Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date multiplied by the relevant Weighting.

**"Valid Date"** means a Scheduled Custom Index Business Day that is not a Disrupted Day and on which another Averaging Date or another Observation Date does not occur;

**"Valuation Date"** means, the date (in the case of Warrants), or the Interest Valuation Date and/or Automatic Early Redemption Valuation Date and/or Redemption Valuation Date (in the case of Notes and Certificates), as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) shall apply;

**"Valuation Time"** means, unless otherwise specified in the applicable Final Terms, the time by reference to which the Index Sponsor determines the level of the Index in its sole and absolute discretion.

## **9. Futures Price Valuation**

- 9.1 If "Futures Price Valuation" is specified as applicable in relation to an Index in the applicable Final Terms, in respect of such Index, the following provisions shall apply to these Index Security Conditions:

**"Settlement Price"** means, in relation to each Cash Settled Security or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex 2:

- (a) in the case of Index Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value in the same currency as the Exercise Price (in the case of Warrants) or the Index Currency (in the case of Notes and Certificates)) equal to the Official Settlement Price of the relevant Current Exchange-traded Contract in respect of such Index as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant

Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and

- (b) in the case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value in the same currency as the Exercise Price (in the case of Warrants) or the Index Currency (in the case of Notes and Certificates)) equal to the Official Settlement Price of the relevant Current Exchange-traded Contract in respect of the Index as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date.

For the purposes of determining whether a day is a Scheduled Trading Day where Futures Price Valuation applies in relation to any Index or (in the case of a Basket of Indices any constituent Index) any reference to such Index or constituent Index in the definition of Scheduled Trading Day will be deemed not to apply and instead a Scheduled Trading Day must be a day on which the Official Settlement Price is published by the relevant Futures or Options Exchange in relation to each such Index to which Futures Price Valuation applies.

The Disrupted Day provisions in these Index Security Conditions will not apply in relation to any Index or (in the case of a Basket of Indices, any Index comprising the Basket) in respect of which Futures Price Valuation applies, unless there is a Non-Commencement or Discontinuance of the Exchange-traded Contract, in which case the Disrupted Day provisions will apply to the relevant Index or constituent Index.

For these purposes:

**"Current Exchange-traded Contract"** means (a) if the Securities are not Rolling Futures Contract Securities, the Exchange-traded Contract and (b) if the Securities are Rolling Futures Contract Securities, the futures contract determined pursuant to Index Security Condition 9.2 (Rolling Futures Contract Securities) below.

**"Exchange-traded Contract"** means, in relation to an Index, the futures or options contract(s) specified as such for the Index in the applicable Final Terms, in each case, identified by reference to (a) the Index to which it relates, (b) the Futures or Options Exchange on which each such contract is traded and (c)(i) if the Securities are not Rolling Futures Contract Securities, the delivery or expiry month of such contract or (ii) if the Securities are Rolling Futures Contract Securities, the specified period of each such contract and the Futures Rollover Date.

**"Futures or Options Exchange"** means, in respect of an Index, the relevant exchange specified in the description of the Exchange-traded Contract for such Index in the applicable Final Terms.

**"Futures Rollover Date"** means either:

- (a) the date specified as such in the applicable Final Terms; or
- (b) the date selected by the Calculation Agent in its sole and absolute discretion within the period ("**Futures Rollover Period**") specified in the applicable Final Terms.

**"Non-Commencement or Discontinuance of the Exchange-traded Contract"** means there is no Official Settlement Price as a result of the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued at any time on or prior to Valuation Date, Observation

Date, Averaging Date or other date for valuation or observation or other relevant date, as the case may be, of the relevant Index.

**"Official Settlement Price"** means the official settlement price (howsoever described under the rules of the relevant Futures or Options Exchange or its clearing house) of the relevant Exchange-traded Contract published by the relevant Futures or Options Exchange or its clearing house and as determined by the Calculation Agent.

## 9.2 **Rolling Futures Contract Securities**

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Securities will be valued by reference to futures contracts relating to the Index that have delivery or expiry months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select an Exchange-traded Contract and for each following day until the Futures Rollover Date such futures contract will be the Current Exchange-traded Contract. On each Futures Rollover Date the Calculation Agent will select another Exchange-traded Contract and such contract shall be the Current Exchange-traded Contract until the next occurring Futures Rollover Date. Notwithstanding the provisions of 9.3 (Adjustments to an Exchange-traded Contract) or 9.4 (Non-Commencement or Discontinuance of an Exchange-traded Contract) if on a Futures Rollover Date a Non-Commencement or Discontinuance of an Exchange-traded Contract occurs and it is impossible or materially impracticable for the Calculation Agent to select an Exchange-traded Contract and/or at such time hedge the Issuer's obligations in respect of the Securities then:

- (a) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with W&C Security Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Condition 10; or
- (b) in the case of Notes or Certificates:
  - (i) unless Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable; or
  - (ii) if Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement

or Discontinuance of the Exchange-traded Contract less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of the Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Redemption Date (in the case of Certificates) or the Maturity Date (in the case of Notes) shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Redemption Date (in the case of Certificates) or the Maturity Date (in the case of Notes) at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Notional Amount (in the case of Certificates) or at its nominal amount (in the case of Notes).

### 9.3 **Adjustments to an Exchange-traded Contract**

Without duplication of Index Security Condition 3 (Adjustments to an Index) or Index Security Condition 4 (Correction of Index) (which shall govern in the event of a conflict), in the event that the terms of an Exchange-traded Contract are changed or modified by the Futures or Options Exchange, the Calculation Agent shall make the appropriate adjustment, if any, to any of the Conditions and/or the applicable Final Terms to account for such change or modification.

### 9.4 **Non-Commencement or Discontinuance of an Exchange-traded Contract**

Where there is a Non-Commencement or Discontinuance of an Exchange-traded Contract, the Official Settlement Price for any Valuation Date, Observation Date, Averaging Date or any other relevant date for valuation or observation, as the case may be, of the relevant Index shall be deemed to be the level of the relevant Index at the close of the regular trading session on the relevant Exchange or, in the case of a Composite Index, the time at which the official closing level of the Index is calculated and published by the Index Sponsor, in each case on the Valuation Date, Observation Date, Averaging Date or other relevant date.

### 9.5 **Correction of the Official Settlement Price**

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the Official Settlement Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Futures or Options Exchange, (a) in respect of a Composite Index, no later than five Business Days following the date of the original publication, or (b) in respect of an Index which is not a Composite Index, within the number of days equal to the Index Correction Period of the original publication, the Official Settlement Price to be used shall be the Official Settlement Price as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

## ANNEX 3

### ADDITIONAL TERMS AND CONDITIONS FOR SHARE SECURITIES

If specified as applicable in the applicable Final Terms, (a) the terms and conditions applicable to Notes specified in the applicable Final Terms as Share Securities shall comprise the terms and conditions of Notes (the "**Note Conditions**") and the additional Terms and Conditions for Share Securities set out below (the "**Share Security Conditions**") and (b) the terms and conditions applicable to W&C Securities specified in the applicable Final Terms as Share Securities shall comprise the terms and conditions of W&C Securities (the "**W&C Security Conditions**") and the Share Security Conditions, in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Note Conditions or the W&C Security Conditions, as applicable, and (ii) the Share Security Conditions, the Share Security Conditions shall prevail. References in the Share Security Conditions to "Security" or "Securities" shall be deemed to be references to "Note" and "Notes" or "W&C Security" or "W&C Securities" as the context admits.

#### 1. Definitions

**"Basket Company"** means each company specified as such in the applicable Final Terms and **"Basket Companies"** means all such companies;

**"Basket of Shares"** means (a) a basket composed of Shares of each Basket Company specified in the applicable Final Terms in the weightings or numbers of Shares of each Basket Company specified in the applicable Final Terms or (b) a Relative Performance Basket;

**"Clearance System"** means the principal domestic clearance system customarily used for settling trades in the relevant Share;

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

**"Closing Price"** means, in respect of a Share and a Scheduled Trading Day, the official closing price of such Share on such day as determined by the Calculation Agent, subject as provided in Share Security Condition 3 (Potential Adjustment Events) and Share Security Condition 4 (Extraordinary Events) (as amended where "GDR/ADR" is specified as applicable);

**"Disrupted Day"** means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;

**"Early Closure"** means the closure on any Exchange Business Day of the relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (b) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"Exchange"** means, in respect of a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any

substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange);

**"Exchange Business Day"** means either (a) in the case of a single Share, Exchange Business Day (Single Share Basis) or (b) in the case of a Basket of Shares, (i) Exchange Business Day (All Shares Basis) or (ii) Exchange Business Day (Per Share Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per Share Basis) shall apply;

**"Exchange Business Day (All Shares Basis)"** means, in respect of a Basket of Shares, any Scheduled Trading Day on which each Exchange and each Related Exchange, if any, are open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Per Share Basis)"** means, in respect of a Share, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, in respect of such Share are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Single Share Basis)"** means any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Disruption"** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to effect transactions in, or obtain market values for, the Share on the Exchange or (b) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the Share on any relevant Related Exchange;

**"Extraordinary Event Effective Date"** means, in respect of an Extraordinary Event, the date on which such Extraordinary Event occurs, as determined by the Calculation Agent in its sole and absolute discretion;

**"Intraday Price"** means, in respect of a Share and any time on a Scheduled Trading Day, the published or quoted price of such Share at such time on such day as determined by the Calculation Agent, subject as provided in Share Security Condition 3 (Potential Adjustment Events) and Share Security Condition 4 (Extraordinary Events) (as amended where "GDR/ADR" is specified as applicable);

**"Italian Securities Reference Price"** means the *Prezzo di Riferimento*, which means, in relation to a Share, the price published by the Italian Stock Exchange at the close of trading and having the meaning ascribed thereto in the Rules of the Market organised and managed by the Italian Stock Exchange, as such Rules may be amended by the Borsa Italiana S.p.a from time to time;

**"Related Exchange"** means, in relation to a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that

where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, "**Related Exchange**" shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share;

"**Relative Performance Basket**" means a basket composed of Shares of each Basket Company specified in the applicable Final Terms where no weighting shall be applicable and where the Cash Settlement Amount shall be determined by reference to the Share which is either (a) the best performing, or (b) the worst performing, in each case as specified in the applicable Final Terms;

"**Scheduled Trading Day**" means either (a) in the case of a single Share, Scheduled Trading Day (Single Share Basis) or (b) in the case of a Basket of Shares, (i) Scheduled Trading Day (All Shares Basis) or (ii) Scheduled Trading Day (Per Share Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Scheduled Trading Day (Per Share Basis) shall apply;

"**Scheduled Trading Day (All Shares Basis)**" means, in respect of a Basket of Shares, any day on which each Exchange and each Related Exchange are scheduled to be open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading session(s);

"**Scheduled Trading Day (Per Share Basis)**" means, in respect of a Share, any day on which the relevant Exchange and the relevant Related Exchange in respect of such Share are scheduled to be open for trading during their respective regular trading session(s);

"**Scheduled Trading Day (Single Share Basis)**" means any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s);

"**Settlement Cycle**" means in respect of a Share, the period of Clearance System Days following a trade in the Share on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

"**Settlement Price**" means, in relation to each Cash Settled Security, or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex 3 and as referred to in "Strike Date", "Averaging Date", "Observation Date" or "Valuation Date", as the case may be:

- (a) in the case of Share Securities relating to a Basket of Shares and in respect of each Share comprising the Basket, an amount equal to the official closing price or the Italian Securities Reference Price, as specified in the applicable Final Terms, (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Share on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the

applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for such Share whose official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be determined based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of such Share or on such other factors as the Calculation Agent shall decide), multiplied by the relevant Weighting, such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent; and

- (b) in the case of Share Securities relating to a single Share, an amount equal to the official closing price or the Italian Securities Reference Price, as specified in the applicable Final Terms, (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Share on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if, in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the Share based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the Share or on such other factors as the Calculation Agent shall decide), such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent;

**"Settlement Price Date"** means the Strike Date, an Observation Date or the Valuation Date, as the case may be;

**"Shares"** and **"Share"** mean, subject to adjustment in accordance with this Annex 3, in the case of an issue of Securities relating to a Basket of Shares, each share and, in the case of an issue of Securities relating to a single Share, the share, specified in the applicable Final Terms and related expressions shall be construed accordingly;

**"Share Company"** means, in the case of an issue of Securities relating to a single Share, the company that has issued such Share;

**"Share Correction Period"** means (a) the period specified in the applicable Final Terms, or (b) if none is so specified, one Settlement Cycle; and



**"Trading Disruption"** means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or any Related Exchange or otherwise (a) relating to the Share on the Exchange; or (b) in futures or options contracts relating to the Share on any relevant Related Exchange.

## **2. Market Disruption**

**"Market Disruption Event"** means, in relation to Securities relating to a single Share or a Basket of Shares, in respect of a Share, the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (c) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable, of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date or a Valuation Date as the case may be.

## **3. Potential Adjustment Events**

**"Potential Adjustment Event"** means any of the following:

- (a) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Shares of (i) such Shares or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Basket Company or Share Company, as the case may be, equally or proportionately with such payments to holders of such Shares or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Basket Company or Share Company, as the case may be, as a result of a spin-off or other similar transaction or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (c) an extraordinary dividend as determined by the Calculation Agent;
- (d) a call by a Basket Company or Share Company, as the case may be, in respect of relevant Shares that are not fully paid;
- (e) a repurchase by the Basket Company or its subsidiaries or Share Company or its subsidiaries, as the case may be, of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of a Basket Company or Share Company, as the case may be, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Basket Company or Share Company, as the case may be, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by

the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

- (g) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

**"Potential Adjustment Event Effective Date"** means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant Basket Company or Share Company, as the case may be, as determined by the Calculation Agent in its sole and absolute discretion.

Except as may be limited in the case of U.S. Securities, following the declaration by the Basket Company or Share Company, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (a) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (b) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable, stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

#### **4. Extraordinary Events**

- 4.1 The occurrence of any of De-Listing, Insolvency, Merger Event, Nationalisation, Tender Offer (unless Tender Offer is specified as not applicable in the applicable Final Terms), or, if specified as applicable in the applicable Final Terms, Illiquidity, Listing Change or Listing Suspension, as the case may be, shall be deemed to be an **"Extraordinary Event"**, the consequences of which are set forth in Share Security Condition 4.2:

**"De-Listing"** means, in respect of any relevant Shares, the Exchange announces that pursuant to the rules of such Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on (a) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or (b) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

**"Illiquidity"** means, in respect of Share Securities relating to a Basket of Shares, that, in the determination of the Calculation Agent, during any period of five consecutive Scheduled Trading Days falling after the Issue Date (the **"Relevant Period"**), (a) the difference between the bid prices and the ask prices in respect of a Share during the Relevant Period is greater than 1 per cent. (on average), and/or (b) the average purchase price or the average selling price, determined by the Calculation Agent from the order book of the relevant Share on the relevant Exchange during the Relevant Period, in relation to the purchase or sale of Shares with a value equal to or greater than EUR 10,000.00, is greater than MID plus 1 per cent. (in relation to a purchase of Shares) or lower than the MID minus 1 per cent. (in relation to a sale of Shares). For these purposes, **"MID"** means an amount equal to (i) the sum of the bid price and the ask price, in each case for the relevant Share at the relevant time, (ii) divided by two.

**"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Basket Company or Share Company, as the case may be, (a) all the Shares of that Basket Company or Share Company, as the case may be, are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the Shares of that Basket Company or Share Company, as the case may be, become legally prohibited from transferring them.

**"Listing Change"** means, in respect of any relevant Shares, that such Shares cease (or will cease) to be listed, traded or publicly quoted on the listing compartment or the relevant market of the Exchange on which such Shares were listed, traded or publicly quoted on the Issue Date of the relevant Securities, for any reason (other than a Merger Event or Tender Event).

**"Listing Suspension"** means, in respect of any relevant Shares, that the listing of such Shares on the Exchange has been suspended.

**"Merger Event"** means, in respect of any relevant Shares, any:

- (a) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person,
- (b) consolidation, amalgamation, merger or binding share exchange of a Basket Company or Share Company, as the case may be, with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding),
- (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Basket Company or Share Company, as the case may be, that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or
- (d) consolidation, amalgamation, merger or binding share exchange of the Basket Company or its subsidiaries or the Share Company or its subsidiaries, as the case may be, with or into another entity in which the Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event,

in each case if the relevant Extraordinary Event Effective Date is on or before (i) in the case of Cash Settled Securities, the last occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Security or (ii) in the case of Physical Delivery Securities, the relevant Settlement Date (in the case of Warrants), Redemption Date (in the case of Certificates) or Maturity Date (in the case of Notes).

**"Nationalisation"** means that all the Shares or all or substantially all the assets of the Basket Company or Share Company, as the case may be, are nationalised, expropriated or are otherwise transferred to any governmental agency, authority, entity or instrumentality thereof.

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares of the Basket Company or Share Company, as the case may be, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

#### 4.2 Consequences of the occurrence of an Extraordinary Event:

If an Extraordinary Event occurs in relation to a Share, the Issuer in its sole and absolute discretion may take the action described in (a), (b), (c) (in the case of Warrants), (d) (in the case of Notes or Certificates) or (e) (in each case, if applicable) or, in the case of Securities relating to a Basket of Shares (f) below (except as may be limited in the case of U.S. Securities):

- (a) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event made by any options exchange to options on the Shares traded on that options exchange. In addition, in relation to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares in accordance with the provisions of subparagraph (f) below;
- (b) in the case of Share Securities relating to a Basket of Shares, cancel (in the case of Warrants) or redeem (in the case of Notes and Certificates) in part by giving notice to Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable. If the Securities are so cancelled or redeemed, as the case may be, in part the portion (the **"Settled Amount"**) of each Security, or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, representing the affected Share(s) shall be cancelled or redeemed, as the case may be, and the Issuer will:
  - (i) pay to each Holder in respect of each Security or Unit, as the case may be, held by him an amount equal to the fair market value of the Settled Amount taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion; and

- (ii) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for such cancellation or redemption, as the case may be, in part.

For the avoidance of doubt the remaining part of each Security or Unit, as the case may be, after such cancellation or redemption, as the case may be, and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable;

- (c) in the case of Warrants, on giving notice to Holders in accordance with W&C Security Condition 10, cancel all but not some only of the Warrants, or if Units are specified in the applicable Final Terms, Units, as the case may be, by payment of an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, plus if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Condition 10;
- (d) in the case of Notes or Certificates;
  - (i) unless Delayed Redemption on Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, on giving notice to Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable redeem all but not some only of the Securities at the amount equal to the fair market value of such Security taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable; or
  - (ii) if Delayed Redemption on Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of such Security, taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Extraordinary Event Amount**") as soon as practicable following the occurrence of the relevant Extraordinary Event (the "**Calculated Extraordinary Event Amount Determination Date**") and on the Redemption Date (in the case of Certificates) or the Maturity Date (in the case of Notes) shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Extraordinary Event Amount plus interest accrued from and including the Calculated Extraordinary Event Amount Determination Date to but excluding the Redemption Date (in the case of Certificates) or the Maturity Date (in the case of Notes) at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as applicable in the applicable

Final Terms and if greater, the Notional Amount (in the case of Certificates) or at its nominal amount (in the case of Notes); or

- (e) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or
- (f) on or after the relevant Extraordinary Event Effective Date, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each, a "**Substitute Share**") for each Share (each, an "**Affected Share**") of each Basket Company (each, an "**Affected Basket Company**") which is affected by such Extraordinary Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that (i) in the case of Notes or Certificates, in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula, and (ii) in the case of Warrants, the Exercise Price will be determined by the Calculation Agent in accordance with the following formula:

Initial Price (in the case of Notes or Certificates)/Exercise Price (in the case of Warrants) =  $A \times (B/C)$   
where:

"**A**" is the official closing price of the relevant Substitute Share on the relevant Exchange on the Substitution Date;

"**B**" is, in the case of Warrants, the Exercise Price, or, in the case of Notes or Certificates, the Initial Price of the relevant Affected Share; and

"**C**" is the official closing price of the relevant Affected Share on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the Basket of Shares will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in its sole and absolute discretion and specified in the notice referred to below which may, but need not, be the relevant Extraordinary Event Effective Date.

The Weighting of each Substitute Share in the Basket of Shares will be equal to the Weighting of the relevant Affected Share.

In order to be selected as a Substitute Share, the relevant share must satisfy the following criteria, in the sole and absolute discretion of the Calculation Agent:

- (i) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and the relevant share is not already included in the Basket of Shares, the relevant share shall be an ordinary share of the entity or person (other than the Affected Basket Company) involved in the Merger Event or the making of the Tender Offer, that is, or that as of the relevant Extraordinary Event Effective Date is promptly scheduled to be, (A) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and (B) not subject to any currency exchange controls, trading restrictions or other trading limitations; or
- (ii) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and a share would otherwise satisfy the criteria set out in paragraph (i) above, but such share is already included in the Basket of Shares, or in the case of an Extraordinary Event other than a Merger Event or a Tender Offer:
  - (A) the relevant issuer of the share shall belong to the same economic sector as the Affected Basket Company; and
  - (B) the relevant issuer of the share shall have a comparable market capitalisation, international standing and exposure as the Affected Basket Company.

Upon the occurrence of an Extraordinary Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable, and the Issuer shall give notice as soon as practicable to the Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable, stating the occurrence of the Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto including, in the case of a Share Substitution, the identity of the Substitute Shares and the Substitution Date.

## **5. Correction of Share Price**

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment under the Securities, if the price of the relevant Share published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Exchange within the number of days equal to the Share Correction Period of the original publication, the price to be used shall be the price of the relevant Share as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

## 6. Dividend Payment

If "Dividend Payment" is specified as being applicable in the applicable Final Terms, the following provisions shall apply to the Securities:

- (a) In the event that on or after the Issue Date a Cash Dividend is paid by the Share Company or Basket Company, as the case may be, notwithstanding any provisions in these Terms and Conditions to the contrary, the Calculation Agent shall calculate (i) the relevant Distributed Amount and (ii) the relevant Dividend Date.
- (b) As soon as practicable following the Dividend Date, the Issuer shall give notice (a "**Cash Dividend Notice**") to the Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable, of the Cash Dividend and the relevant Cash Dividend Payment Date and the Issuer, or failing which the Guarantor, if applicable, shall pay to each Holder on the Cash Dividend Payment Date an amount equal to the Cash Dividend Amount in respect of each Security held by him on the Cash Dividend Payment Date, provided that if the relevant Dividend Date has not occurred prior to the Actual Exercise Date (in the case of Warrants), the Redemption Date (in the case of Certificates) or Maturity Date (in the case of Notes), the Issuer shall not be obliged to pay such Cash Dividend Amount and the Issuer and/or the Guarantor, if applicable, shall have no further obligation in respect thereof.
- (c) The Cash Dividend Notice shall specify the manner in which the Cash Dividend Amount shall be paid to each Holder.

For the purposes of this Share Security Condition 6 the following definitions shall apply:

**"Cash Dividend"** means any cash dividend paid by the Share Company or Basket Company in respect of a Share;

**"Cash Dividend Amount"** means, in respect of a Security, an amount calculated by the Calculation Agent equal to the Distributed Amount less a *pro rata* share of Dividend Expenses, such amount to be converted into the Settlement Currency at an exchange rate determined by the Calculation Agent in its sole and absolute discretion on or as soon as practicable after the Dividend Date;

**"Cash Dividend Payment Date"** means, in respect of a Cash Dividend, the date specified as such in the relevant Cash Dividend Notice;

**"Distributed Amount"** means, in respect of a Cash Dividend, the amount of such dividend paid by the Share Company in respect of a Share, as determined by the Calculation Agent in its sole and absolute discretion;

**"Dividend Date"** means, in respect of a Cash Dividend, the date on which such Cash Dividend would be received by a holder of the Share as determined by the Calculation Agent in its sole and absolute discretion; and

**"Dividend Expenses"** means all present, future or contingent withholding, capital gain, profit, transactional or business tax or other similar tax or duty (including stamp duty) and/or expenses (including any applicable depositary charges, transaction charges, issue, registration, transfer and/or other expenses) which the Calculation Agent determines have been or may be deducted and/or may arise or may have arisen in respect of the Cash Dividend and/or any payment of the Cash Dividend Amount in respect of the Securities.



**7. GDR/ADR**

Share Security Conditions 8 to 12 (inclusive) apply where "GDR/ADR" is specified in the applicable Final Terms.

**8. Definitions relating to GDR/ADR**

"**ADR**" means an American Depositary Receipt;

"**Conversion Event**" means any event which in the sole and absolute determination of the Calculation Agent results (or will result) in the GDRs and/or ADRs being converted into Underlying Shares or any other listed Securities of the issuer of the Underlying Shares;

"**GDR**" means a Global Depositary Receipt; and

"**Underlying Shares**" means the shares underlying an ADR or GDR, as the case may be.

**9. General**

Save where specifically provided under the Final Terms, all references in the W&C Security Conditions or Note Conditions, as applicable, and the Share Security Conditions to the "Shares" shall be deemed to be to the GDRs or ADRs, as applicable, and/or the Underlying Shares, references to the "Share Company" or "Basket Company", as applicable, shall be deemed to be to the issuer of the GDRs or ADRs, as the case may be, and the issuer of the Underlying Shares, and references to the "Exchange" shall be deemed to be to the exchange or quotation system on which the GDRs or ADRs, as the case may be, are listed and the exchange or quotation system on which the Underlying Shares are listed, and with such additional or alternative modifications as the Calculation Agent may consider necessary or otherwise desirable provided that any such amendment is not materially prejudicial to the holders of Securities.

**10. Share Event**

Upon the occurrence of a Share Event, the Issuer in its sole and absolute discretion may take the action described in paragraphs (a), (b), (c) (in the case of Warrants), (d) (in the case of Notes or Certificates), (e) or (f), as applicable, of Share Security Condition 4.2. The Issuer shall give notice as soon as practicable to the Holders in accordance with W&C Security Condition 10 or Note Condition 16, as applicable, stating the occurrence of the Share Event, giving details thereof and the action proposed to be taken in relation thereto.

"**Share Event**" means each of the following events:

- (a) written instructions have been given by the Issuer or a Qualified Investor to the depositary of the Underlying Shares to withdraw or surrender the Underlying Shares;
- (b) the termination of the deposit agreement in respect of the Underlying Shares.

If an event constitutes both a Share Event and an Additional Disruption Event, the Calculation Agent shall have absolute discretion to determine which of these events such event constitutes.

**11. Potential Adjustment Event**

The following additional event shall be deemed added to paragraph (b) of the definition of Potential Adjustment Event in Share Security Condition 3:

"and/or a distribution in respect of the Underlying Shares of property other than cash, shares or rights relating to any Underlying Shares to the holder of the Underlying Shares".

**12. Extraordinary Events**

The following additional events shall be deemed added to the first paragraph of Share Security Condition 4.1 after the words "as not applicable in the applicable Final Terms)":

"Conversion Event".