

AVVISO n.6562	02 Aprile 2008	SeDeX – PLAIN VANILLA
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Mittente del comunicato : Borsa Italiana
Societa' oggetto dell'Avviso : BNP PARIBAS ARBITRAGE ISSUANCE
Oggetto : Inizio delle Negoziazioni Covered Warrant plain vanilla "BNP Paribas Arbitrage Issuance B.V." emessi nell'ambito di un programma

Testo del comunicato

Si veda allegato.

Disposizioni della Borsa

Strumenti finanziari:	A) “BNP Paribas Covered Warrants on Italian Shares – Second Series 2008” B) “BNP Paribas Covered Warrants on S&P/MIB Index– Second Series 2008”		
Emittente:	BNP Paribas Arbitrage Issuance B.V.		
Garante:	BNP Paribas		
Rating Garante:	Società di Rating	Long Term	Data Report
	Moody’s	Aa1	20/06/2007
	Standard & Poor’s	AA+	13/09/2007
	Fitch	AA	22/06/2007
Oggetto:	INIZIO NEGOZIAZIONI IN BORSA		
Data di inizio negoziazioni:	4 aprile 2008		
Mercato di quotazione:	Borsa - Comparto SeDeX “Covered Warrant plain vanilla”		
Orari e modalità di negoziazione:	Negoziazione continua e l’orario stabilito dall’art. IA.5.1.6 delle Istruzioni		
Operatore incaricato ad assolvere l’impegno di quotazione:	Intermonte SIM S.p.A. Codice specialist: 3357		

CARATTERISTICHE SALIENTI DEI TITOLI OGGETTO DI QUOTAZIONE

	A) “BNP Paribas Covered Warrants on Italian Shares – Second Series 2008”
	B) “BNP Paribas Covered Warrants on S&P/MIB Index– Second Series 2008”
Serie in negoziazione:	vedasi scheda riepilogativa delle caratteristiche dei securitised derivatives
Quantitativo minimo di negoziazione di ciascuna serie:	vedasi scheda riepilogativa delle caratteristiche dei certificates (colonna “Lotto Neg.”)

Impegno giornaliero ad esporre
prezzi denaro e lettera
per ciascuna serie:

vedasi scheda riepilogativa delle caratteristiche dei
certificates (colonna “N.Lotti M.M.”)

Tipo di liquidazione:

monetaria

Modalità di esercizio:

europeo

DISPOSIZIONI DELLA BORSA ITALIANA

Dal giorno 4 aprile 2008 i “BNP Paribas Covered Warrants on Italian Shares – Second Series 2008” e i “BNP Paribas Covered Warrants on S&P/MIB Index– Second Series 2008”, verranno inseriti nel Listino Ufficiale, sezione Securitised Derivatives.

Allegati:

- Schede riepilogative delle caratteristiche dei covered warrant;
- Fattori di rischio;
- Final Terms dei covered warrant;
- Terms & Conditions dei covered warrant;
- Traduzione della Nota di Sintesi.

<i>Serie</i>	<i>Isin</i>	<i>Sigla</i>	<i>SIA</i>	<i>Descrizione</i>	<i>Sottostante</i>	<i>Facoltà</i>	<i>Strike</i>	<i>Scad.</i>	<i>Multiplo</i>	<i>Ammontare</i>	<i>Lotto</i>	<i>Neg.N.Lotti</i>	<i>MM</i>
1	NL0006089914	P89914	472176	BPAAZAC,4I08	Alitalia	Call	0,4	02/09/2008	0,1	3000000	100	1500	
2	NL0006089922	P89922	472177	BPAAZAC,5I08	Alitalia	Call	0,5	02/09/2008	0,1	3000000	100	3000	
3	NL0006089930	P89930	472178	BPAALC8I08	Alleanza	Call	8	02/09/2008	0,1	3000000	100	600	
4	NL0006089948	P89948	472179	BPAALC9I08	Alleanza	Call	9	02/09/2008	0,1	3000000	100	2000	
5	NL0006089955	P89955	472180	BPAATLC20I08	Atlantia	Call	20	02/09/2008	0,1	3000000	100	150	
6	NL0006089963	P89963	472181	BPAATLC23I08	Atlantia	Call	23	02/09/2008	0,1	3000000	100	400	
7	NL0006089971	P89971	472182	BPABMPSC2,8I08	Banca Monte dei Paschi di Siena	Call	2,8	02/09/2008	0,1	3000000	100	1500	
8	NL0006089989	P89989	472183	BPABMPSC3,2I08	Banca Monte dei Paschi di Siena	Call	3,2	02/09/2008	0,1	3000000	100	5000	
9	NL0006089997	P89997	472184	BPAPMIC7I08	Banca Popolare di Milano	Call	7	02/09/2008	0,1	3000000	100	400	
10	NL0006090003	P90003	472185	BPAPMIC8I08	Banca Popolare di Milano	Call	8	02/09/2008	0,1	3000000	100	800	
11	NL0006090011	P90011	472186	BPAENELC6,5I08	Enel	Call	6,5	02/09/2008	0,1	3000000	100	500	

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12	NL0006090029	P90029	472187	BPAENELC7I08	Enel	Call	7	02/09/2008	0,1	3000000	100	1000	
13	NL0006090037	P90037	472188	BPAENELC8I08	Enel	Call	8	02/09/2008	0,1	3000000	100	4000	
14	NL0006090045	P90045	472189	BPAENIC21I08	Eni	Call	21	02/09/2008	0,1	3000000	100	150	
15	NL0006090052	P90052	472190	BPAENIC23I08	Eni	Call	23	02/09/2008	0,1	3000000	100	200	
16	NL0006090060	P90060	472191	BPAENIC25I08	Eni	Call	25	02/09/2008	0,1	3000000	100	500	
17	NL0006090078	P90078	472192	BPAFC12I08	Fiat	Call	12	02/09/2008	0,1	3000000	100	250	
18	NL0006090086	P90086	472193	BPAFC14I08	Fiat	Call	14	02/09/2008	0,1	3000000	100	300	
19	NL0006090094	P90094	472194	BPAFC16I08	Fiat	Call	16	02/09/2008	0,1	3000000	100	300	
20	NL0006090102	P90102	472195	BPAFC18I08	Fiat	Call	18	02/09/2008	0,1	3000000	100	300	
21	NL0006090110	P90110	472196	BPAFP13I08	Fiat	Put	13	02/09/2008	0,1	3000000	100	100	
22	NL0006090128	P90128	472197	BPAFP11I08	Fiat	Put	11	02/09/2008	0,1	3000000	100	200	
23	NL0006090136	P90136	472198	BPAFP9I08	Fiat	Put	9	02/09/2008	0,1	3000000	100	500	
24	NL0006090144	P90144	472199	BPAGC26I08	Generali	Call	26	02/09/2008	0,1	3000000	100	100	

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25	NL0006090151	P90151	472200	BPAGC29I08	Generali	Call	29	02/09/2008	0,1	3000000	100		250
26	NL0006090169	P90169	472201	BPAGC32I08	Generali	Call	32	02/09/2008	0,1	3000000	100		800
27	NL0006090177	P90177	472202	BPAISPC4I08	Intesa San Paolo	Call	4	02/09/2008	0,1	3000000	100		700
28	NL0006090185	P90185	472203	BPAISPC4,5I08	Intesa San Paolo	Call	4,5	02/09/2008	0,1	3000000	100		2000
29	NL0006090193	P90193	472204	BPAISPC5I08	Intesa San Paolo	Call	5	02/09/2008	0,1	3000000	100		5000
30	NL0006090201	P90201	472205	BPAPLTC2,5I08	Parmalat	Call	2,5	02/09/2008	0,1	3000000	100		1500
31	NL0006090219	P90219	472206	BPAPLTC3I08	Parmalat	Call	3	02/09/2008	0,1	3000000	100		6000
32	NL0006090227	P90227	472207	BPASPMC27I08	Saipem	Call	27	02/09/2008	0,1	3000000	100		100
33	NL0006090235	P90235	472208	BPASPMC30I08	Saipem	Call	30	02/09/2008	0,1	3000000	100		150
34	NL0006090243	P90243	472209	BPASTMC7I08	Stm	Call	7	02/09/2008	0,1	3000000	100		500
35	NL0006090250	P90250	472210	BPASTMC9I08	Stm	Call	9	02/09/2008	0,1	3000000	100		3000
36	NL0006090268	P90268	472211	BPATELC1,4I08	Telecom Italia	Call	1,4	02/09/2008	0,1	3000000	100		2500
37	NL0006090276	P90276	472212	BPATELC1,6I08	Telecom Italia	Call	1,6	02/09/2008	0,1	3000000	100		5000

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38	NL0006090284	P90284	472213	BPATELC1,8I08	Telecom Italia	Call	1,8	02/09/2008	0,1	3000000	100	14000
39	NL0006090292	P90292	472214	BPATENC16I08	Tenaris	Call	16	02/09/2008	0,1	3000000	100	200
40	NL0006090300	P90300	472215	BPATENC18I08	Tenaris	Call	18	02/09/2008	0,1	3000000	100	400
41	NL0006090318	P90318	472216	BPAUCGC4I08	Unicredit	Call	4	02/09/2008	0,1	3000000	100	400
42	NL0006090326	P90326	472217	BPAUCGC4,5I08	Unicredit	Call	4,5	02/09/2008	0,1	3000000	100	600
43	NL0006090334	P90334	472218	BPAUCGC5I08	Unicredit	Call	5	02/09/2008	0,1	3000000	100	1500
44	NL0006090342	P90342	472219	BPAMBC12I08	Mediobanca	Call	12	02/09/2008	0,1	3000000	100	200
45	NL0006090359	P90359	472220	BPAMBC15I08	Mediobanca	Call	15	02/09/2008	0,1	3000000	100	1500
46	NL0006090367	P90367	472221	BPAMSC5,5I08	Mediaset	Call	5,5	02/09/2008	0,1	3000000	100	1000
47	NL0006090375	P90375	472222	BPAMSC6,5I08	Mediaset	Call	6,5	02/09/2008	0,1	3000000	100	5000
48	NL0006090383	P90383	472223	BPAIPGC3I08	Impregilo	Call	3	02/09/2008	0,1	3000000	100	700
49	NL0006090391	P90391	472224	BPAIPGC4I08	Impregilo	Call	4	02/09/2008	0,1	3000000	100	3500
50	NL0006090409	P90409	472225	BPABZUC15I08	Buzzi Unicem	Call	15	02/09/2008	0,1	3000000	100	150

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51	NL0006090417	P90417	472226	BPABZUC18I08	Buzzi Unicem	Call	18	02/09/2008	0,1	3000000	100	500	
52	NL0006090425	P90425	472227	BPAFNCC20I08	Finmeccanica	Call	20	02/09/2008	0,1	3000000	100	150	
53	NL0006090433	P90433	472228	BPAFNCC23I08	Finmeccanica	Call	23	02/09/2008	0,1	3000000	100	400	
54	NL0006090441	P90441	472229	BPALTMC21I08	Lottomatica	Call	21	02/09/2008	0,1	3000000	100	200	
55	NL0006090458	P90458	472230	BPALTMC25I08	Lottomatica	Call	25	02/09/2008	0,1	3000000	100	700	
56	NL0006090466	P90466	472231	BPATRNC3I08	Terna	Call	3	02/09/2008	0,1	3000000	100	4000	
57	NL0006090474	P90474	472232	BPATRNC3,5I08	Terna	Call	3,5	02/09/2008	0,1	3000000	100	3000	
58	NL0006090482	P90482	472233	BPAPGC,15I08	Seat PG	Call	0,15	02/09/2008	0,1	3000000	100	13000	
59	NL0006090490	P90490	472234	BPAPGC,2I08	Seat PG	Call	0,2	02/09/2008	0,1	3000000	100	7000	
60	NL0006090508	P90508	472235	BPAAGLC10I08	Autogrill	Call	10	02/09/2008	0,1	3000000	100	400	
61	NL0006090516	P90516	472236	BPAAGLC12I08	Autogrill	Call	12	02/09/2008	0,1	3000000	100	1500	
62	NL0006090524	P90524	472237	BPABULC7I08	Bulgari	Call	7	02/09/2008	0,1	3000000	100	400	
63	NL0006090532	P90532	472238	BPABULC8I08	Bulgari	Call	8	02/09/2008	0,1	3000000	100	700	

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64	NL0006090540	P90540	472239	BPABPC11I08	Banco Popolare	Call	11	02/09/2008	0,1	3000000	100	400	
65	NL0006090557	P90557	472240	BPABPC13I08	Banco Popolare	Call	13	02/09/2008	0,1	3000000	100	1500	

<i>Serie</i>	<i>Isin</i>	<i>Sigla</i>	<i>SIA</i>	<i>Descrizione</i>	<i>Sottostante</i>	<i>Facoltà</i>	<i>Strike</i>	<i>Scad.</i>	<i>Multiplo</i>	<i>Ammontare</i>	<i>Lotto</i>	<i>Neg.N.Lotti</i>	<i>MM</i>
1	NL0006090565	P90565	39470	BPASPMIBC31000I08	SPMIB	Call	31000	20/09/2008	0,0001	15000000	100		150
2	NL0006090573	P90573	103124	BPASPMIBC32000I08	SPMIB	Call	32000	20/09/2008	0,0001	15000000	100		150
3	NL0006090581	P90581	472165	BPASPMIBC33000I08	SPMIB	Call	33000	20/09/2008	0,0001	15000000	100		200
4	NL0006090599	P90599	472166	BPASPMIBC34000I08	SPMIB	Call	34000	20/09/2008	0,0001	15000000	100		300
5	NL0006090607	P90607	472167	BPASPMIBC35000I08	SPMIB	Call	35000	20/09/2008	0,0001	15000000	100		500
6	NL0006090615	P90615	472168	BPASPMIBC36000I08	SPMIB	Call	36000	20/09/2008	0,0001	15000000	100		700
7	NL0006090623	P90623	472169	BPASPMIBC37000I08	SPMIB	Call	37000	20/09/2008	0,0001	15000000	100		1500
8	NL0006090631	P90631	472170	BPASPMIBP28000I08	SPMIB	Put	28000	20/09/2008	0,0001	15000000	100		200
9	NL0006090649	P90649	472171	BPASPMIBP29000I08	SPMIB	Put	29000	20/09/2008	0,0001	15000000	100		200
10	NL0006090656	P90656	472172	BPASPMIBP30000I08	SPMIB	Put	30000	20/09/2008	0,0001	15000000	100		150
11	NL0006090664	P90664	472173	BPASPMIBP31000I08	SPMIB	Put	31000	20/09/2008	0,0001	15000000	100		100
12	NL0006090672	P90672	472174	BPASPMIBP32000I08	SPMIB	Put	32000	20/09/2008	0,0001	15000000	100		100

<i>Serie</i>	<i>Isin</i>	<i>Sigla</i>	<i>SIA</i>	<i>Descrizione</i>	<i>Sottostante</i>	<i>Facoltà</i>	<i>Strike</i>	<i>Scad.</i>	<i>Multiplo</i>	<i>Ammontare</i>	<i>Lotto</i>	<i>Neg.N.Lotti</i>	<i>MM</i>
13	NL0006090680	P90680	472175	BPASPMIBP33000I08	SPMIB	Put	33000	20/09/2008	0,0001	15000000	100		100

RISK FACTORS

Prospective purchasers of the Securities offered hereby should consider carefully, among other things and in light of their financial circumstances and investment objectives, all of the information in this Document and, in particular, the risk factors set forth below (which each Issuer, in its reasonable opinion, believes represents or may represent the risk factors known to it which may affect such Issuer's ability to fulfil its obligations under the Securities) in making an investment decision. Investors may lose the value of their entire investment in certain circumstances.

Terms used in this section and not otherwise defined have the meanings given to them in the relevant Conditions.

Risks Related to the Bank and its Operations

See the section entitled Risk Factors contained on pages 5 to 10 of the Information Statement which is incorporated by reference in this Base Prospectus.

RISK FACTORS RELATING TO BNPP B.V.

BNPP B.V. is not an operating company. BNPP B.V.'s sole business is the raising and borrowing of money by issuing Securities or other obligations. BNPP B.V. has, and will have, no assets other than such fees (as agreed) payable to it, or other assets acquired by it, in each case in connection with the issue of Securities or entry into other obligations relating to the Programme 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. may use such proceeds to maintain positions in options or futures contracts or other hedging instruments ("**Hedging Agreements**"). 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, BNPP B.V. is exposed to the ability of counterparties in respect of such Hedging Agreements to perform their obligations under such Hedging Agreements.

RISK FACTORS RELATING TO SECURITIES

The Securities involve a high degree of risk, which may include, price risks associated with the Underlying Reference (as defined below), among others, interest rate, foreign exchange, inflation, time value and political risks. Prospective purchasers of Securities should recognise that their Securities may expire worthless or be redeemed for no value. Purchasers should be prepared to sustain a total loss of the purchase price of their Securities. This risk reflects the nature of a Security as an asset which, other factors held constant, tends to decline in value over time and which may become worthless when it expires or is redeemed. See "*Certain Factors Affecting the Value and Trading Price of Securities*" below. Prospective purchasers of Securities should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Securities and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Securities in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Securities and the particular underlying index (or basket of indices), share (or basket of shares), debt instrument (or basket of debt instruments), currency (or basket of currencies), commodity (or basket of commodities), inflation index (or basket of inflation indices), fund share or unit (or basket of fund shares or units), or other basis of reference to which the value of the relevant Securities may relate, as specified in the applicable Final Terms (such reference being the "**Underlying Reference**"). The Issuer may also issue Securities linked to the credit of a specified entity (or entities).

The risk of the loss of some or all of the purchase price of a Security upon expiration or redemption means that, in order to recover and realise a return upon his or her investment, a purchaser of a Security must generally be correct about the direction, timing and magnitude of an anticipated change in the value or credit risk of the Underlying Reference which may be specified in the applicable Final Terms. Assuming all other factors are held constant, the lower the value of a Security and the shorter the remaining term of a Warrant to expiration or a Certificate to redemption, the greater the risk that purchasers of such Securities will lose all or part of their investment. With respect to Certificates and European-

style Warrants, the only means through which a holder can realise value from the Warrant or Certificate, as the case may be, prior to its Exercise Date or Redemption Date in relation to such Warrant or Certificate, as the case may be, is to sell it at its then market price in an available secondary market. See “*Possible Illiquidity of the Securities in the Secondary Market*” below.

Fluctuations in the value of the relevant index or basket of indices will affect the value of Index Securities or Inflation Index Securities. Fluctuations in the price of the relevant share or value of the basket of shares will affect the value of Share Securities. Fluctuations in the price or yield of the relevant debt instrument or value of the basket of debt instruments will affect the value of Debt Securities. Fluctuations in the rates of exchange between the relevant currencies will affect the value of Currency Securities. Fluctuations in value of the relevant inflation index or basket of inflation indices will affect the value of Inflation Securities. Fluctuations in value of the relevant fund share or units or basket of fund shares or units will affect the value of the Fund Securities. Fluctuations in the creditworthiness of the relevant reference entity or entities will affect the value of the Credit Linked Securities. Also, due to the character of the particular market on which a debt instrument is traded, the absence of last sale information and the limited availability of quotations for such debt instrument may make it difficult for many investors to obtain timely, accurate data for the price or yield of such debt instrument. Fluctuations in the value of the relevant commodity or basket of commodities will affect the value of Commodity Securities. In the case of Hybrid Securities whose Underlying Reference is any combination of such indices, shares, debt, currencies, commodities, inflation indices or any other asset class or type, fluctuations in the value of any one or more of such Underlying References will correspondingly affect the value of Hybrid Securities. Purchasers of Securities risk losing their entire investment if the value of the relevant underlying basis of reference does not move in the anticipated direction.

Securities are Unsecured Obligations

The Securities are unsubordinated and unsecured obligations of the relevant Issuer and will rank *pari passu* with themselves. Each issue of Securities issued by BNPP B.V. will be guaranteed by BNPP pursuant to the English Guarantee, in the case of English Law Securities, or the French Law Guarantee, in the case of French Law Securities. The obligations of BNPP under the Guarantees are unsubordinated and unsecured obligations of BNPP and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations, subject as may from time to time be mandatory under French law.

Each Issuer may issue several issues of Securities relating to various Underlying References. However, no assurance can be given that the relevant Issuer will issue any Securities other than the Securities to which a particular Final Terms relates. At any given time, the number of Securities outstanding may be substantial. Securities provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the underlying investment. In general, certain of the risks associated with Warrants are similar to those generally applicable to other options or warrants of private corporate issuers. Options, warrants or certificates on shares, debt instruments or fund shares or units are priced primarily on the basis of the value of underlying securities whilst Currency and Commodity Securities are priced primarily on the basis of present and expected values of the reference currency (or basket of currencies) or commodity (or basket of commodities) specified in the applicable Final Terms.

Certain Factors Affecting the Value and Trading Price of Securities

Either (1) the Cash Settlement Amount (in the case of Cash Settled Securities) or (2) (i) the difference in the value of the Entitlement and the Exercise Price (in the case of Physical Delivery Warrants) or (ii) the value of the Entitlement (in the case of Physical Delivery Certificates) ((2)(i) or (2)(ii), as applicable, the “**Physical Settlement Value**”) at any time prior to expiration or redemption is typically expected to be less than the trading price of such Securities at that time. The difference between the trading price and the Cash Settlement Amount or the Physical Settlement Value, as the case may be, will reflect, among other things, the “time value” of the Securities. The “time value” of the Securities will depend partly upon the length of the period remaining to expiration or redemption and expectations concerning the value of the Underlying Reference as specified in the applicable Final Terms. Securities offer hedging and investment

diversification opportunities but also pose some additional risks with regard to interim value. The interim value of the Securities varies with the price level of the Underlying Reference as specified in the applicable Final Terms, as well as by a number of other interrelated factors, including those specified herein.

Before exercising (in the case of Warrants) or selling Securities, holders should carefully consider, among other things, (a) the trading price of the Securities, (b) the value and volatility of the Underlying Reference as specified in the applicable Final Terms, (c) the time remaining to expiration or redemption, as the case may be, (d) in the case of Cash Settled Securities, the probable range of Cash Settlement Amounts, (e) any change(s) in interim interest rates and dividend yields if applicable, (f) any change(s) in currency exchange rates, (g) the depth of the market or liquidity of the Underlying Reference as specified in the applicable Final Terms and (h) any related transaction costs.

Certain Considerations Regarding Purchasing Securities as Hedges

Prospective purchasers intending to purchase Securities to hedge against the market risk associated with investing in the Underlying Reference which may be specified in the applicable Final Terms, should recognise the complexities of utilising Securities in this manner. For example, the value of the Securities may not exactly correlate with the value of the Underlying Reference which may be specified in the applicable Final Terms. Due to fluctuating supply and demand for the Securities, there is no assurance that their value will correlate with movements of the Underlying Reference which may be specified in the applicable Final Terms. For these reasons, among others, it may not be possible to purchase or liquidate securities in a portfolio at the prices used to calculate the value of any relevant Underlying Reference. In addition, in certain cases, the ability of holders to use Securities for hedging may be restricted by the provisions of the Securities Act.

Effect of Credit Rating Reduction

The value of the Securities is expected to be affected, in part, by investors' general appraisal of the creditworthiness of the relevant Issuer and, if applicable, the Guarantor. Such perceptions are generally influenced by the ratings accorded to the outstanding securities of BNPP B.V. or BNPP by standard statistical rating services, such as Moody's Investors Service Limited ("**Moody's**"), Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("**Standard & Poor's**") and Fitch Ratings Ltd. ("**Fitch**"). A reduction in the rating, if any, accorded to outstanding debt securities of BNPP B.V. or BNPP by one of these rating agencies could result in a reduction in the trading value of the Securities.

Certain Additional Risk Factors Associated with Currency Securities

Fluctuations in exchange rates of the relevant currency (or basket of currencies) will affect the value of Currency Securities. Furthermore, investors who intend to convert gains or losses from the exercise, redemption or sale of Currency Securities into their home currency may be affected by fluctuations in exchange rates between their home currency and the relevant currency (or basket of currencies). Currency values may be affected by complex political and economic factors, including governmental action to fix or support the value of a currency (or basket of currencies), regardless of other market forces. Purchasers of Currency Securities risk losing their entire investment if exchange rates of the relevant currency (or basket of currencies) do not move in the anticipated direction.

If additional warrants, securities or options relating to particular non-U.S. currencies or particular currency indices are subsequently issued, the supply of warrants and options relating to such non-U.S. currencies or currency indices, as applicable, in the market will increase, which could cause the price at which the Securities and such other warrants, securities and options trade in the secondary market to decline significantly.

Certain Additional Risk Factors relating to Credit Linked Securities

The Issuers may issue Securities where the amount payable is dependent upon whether certain events ("**Credit Events**") have occurred in respect of a specified entity (the "**reference entity**") and, if so, on the value of certain

specified assets of the reference entity or where, if such events have occurred, such Issuers' obligation is to deliver certain specified assets.

The price of such Securities may be volatile and will be affected by, amongst other things, the time remaining to the settlement date or redemption date and the creditworthiness of the reference entity which in turn may be affected by the economic, financial and political events in one or more jurisdictions.

Where the Securities provide for physical delivery, the Issuer may determine that the specified assets to be delivered are assets which for any reason (including, without limitation, failure of the relevant clearance system or due to any law, regulation, court order or market conditions or the non-receipt of any requisite consents with respect to the delivery of assets which are loans) it is impossible or illegal to deliver on the specified settlement date. Any such determination may delay settlement in respect of the Securities and/or cause the obligation to deliver such specified assets to be replaced by an obligation to pay a cash amount which, in either case, may affect the value of the Securities and, in the case of payment of a cash amount, will affect the timing of the valuation of such Securities and as a result, the amount payable on exercise or redemption. Prospective purchasers should review the Terms and Conditions of the Securities and the applicable Final Terms to ascertain whether and how such provisions should apply to the Securities.

The Issuer's obligations in respect of Credit Linked Securities are irrespective of the existence or amount of the Issuer's and/or any affiliates' credit exposure to a reference entity and the Issuer and/or any affiliate need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event.

Possible Illiquidity of the Securities in the Secondary Market

It is not possible to predict the price at which Securities will trade in the secondary market or whether such market will be liquid or illiquid. The Issuer may, but is not obliged to, list Securities on a stock exchange (application has been made to list the Securities on the Luxembourg Stock Exchange and to admit the Securities for trading described herein on the "*Bourse de Luxembourg*" (the "**Regulated Market**") and/or the EuroMTF Market, as the case may be, and application may be made to list Securities on other stock exchanges). Also, to the extent Securities of a particular issue are exercised or redeemed, the number of Securities of such issue outstanding will decrease, resulting in a diminished liquidity for the remaining Securities of such issue. A decrease in the liquidity of an issue of Securities may cause, in turn, an increase in the volatility associated with the price of such issue of Securities.

Each Issuer and any Manager may, but is not obliged to, at any time purchase Securities at any price in the open market or by tender or private offer/treaty. Any Securities so purchased may be held or resold or surrendered for cancellation as further described herein. A Manager may, but is not obliged to, be a market-maker for an issue of Securities. Even if a Manager is a market-maker for an issue of Securities, the secondary market for such Securities may be limited. In addition, affiliates of each Issuer (including the relevant Manager as referred to above) may purchase Securities at the time of their initial distribution and from time to time thereafter. To the extent that an issue of Securities becomes illiquid, an investor may have to exercise or wait until redemption of such Securities, as applicable, to realise greater value than its then trading value.

Potential Conflicts of Interest

BNPP B.V., BNPP and their affiliates (including, if applicable, any Manager) may also engage in trading activities (including hedging activities) related to the Underlying Reference or Reference Entity of any Securities and other instruments or derivative products based on or related to the Underlying Reference or Reference Entity of any Securities for their proprietary accounts or for other accounts under their management. BNPP B.V., BNPP and their affiliates (including, if applicable, any Manager) may also issue other derivative instruments in respect of the Underlying Reference of Securities. BNPP B.V., BNPP and their affiliates (including, if applicable, any Manager) may also act as underwriter in connection with future offerings of shares or other securities related to an issue of Securities or may act as financial adviser to certain companies or companies whose shares or other securities are included in a basket or in a

commercial banking capacity for such companies. Such activities could present certain conflicts of interest, could influence the prices of such shares or other securities and could adversely affect the value of such Securities.

Because the Calculation Agent (as defined below) may be an affiliate of the Issuers, potential conflicts of interest may exist between the Calculation Agent and holders of the Securities, including with respect to certain determinations and judgments that the Calculation Agent must make, including whether a Market Disruption Event or a Settlement Disruption Event (each, as defined below) has occurred. The Calculation Agent is obligated to carry out its duties and functions as Calculation Agent in good faith and using its reasonable judgment.

Market Disruption Events or failure to open of an exchange

If an issue of Securities includes provisions dealing with the occurrence of a Market Disruption Event or failure to open of an exchange on a Valuation Date (as defined below), an Averaging Date (as defined below) or an Observation Date (as defined below) and the Calculation Agent determines that a Market Disruption Event or failure to open of an exchange has occurred or exists on such Valuation Date, such Averaging Date or such Observation Date, any consequential postponement of the Valuation Date, Averaging Date or Observation Date or any alternative provisions for valuation provided in any Securities may have an adverse effect on the value and liquidity of such Securities. The occurrence of such a Market Disruption Event or failure to open of an exchange in relation to any Underlying Reference comprising a basket may also have such an adverse effect on Securities related to such basket. In addition, any such consequential postponement may result in the postponement of the relevant Settlement Date or Redemption Date.

Adjustment Events relating to Index Securities

In the case of Index Securities, if a relevant Index is (i) not calculated and announced by the Index Sponsor in respect of the Index but is calculated and announced by a successor sponsor or successor entity, as the case may be, acceptable to the Calculation Agent, or (ii) 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 will be deemed to be the Index. In addition, if an Index Modification, an Index Cancellation or an Index Disruption (each as defined below) occurs (each being an Index Adjustment Event), then, except as may be limited in the case of U.S. Securities,

- (i) the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the relevant Settlement Price on a modified basis as set out in the Conditions; or
- (ii) in the case of Warrants unless otherwise specified in the applicable Final Terms or in the case of Certificates, unless Delayed Redemption on Occurrence of Index Adjustment Event is specified as applicable in the applicable Final Terms, the Issuer may cancel or redeem, as the case may be, the Securities. If the Securities are so cancelled or redeemed, the amount payable to each Holder in respect of each Security or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by it shall be the fair market value of a Security 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; or
- (iii) in the case of Certificates and 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 Certificate 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 Additional Disruption Amount") as soon as practicable following the occurrence of the Index Adjustment 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 greater, the Notional Amount

Any such adjustment may have an adverse effect on the value and liquidity of such Securities.

Potential Adjustment Events relating to Share Securities

In the case of Share Securities, 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 (i) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Weighting and/or any of the other terms 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 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 (ii) determine the effective date of that adjustment. Such adjustment may have an adverse effect on the value and liquidity of the affected Share Securities.

Other Events relating to Share Securities

In the case of Share Securities, if a Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency occurs in relation to a Share, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below (except as may be limited in the case of U.S. Securities):

- (i) 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 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 Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment, in which case such adjustment may have an adverse effect on the value and liquidity of the affected Share Securities; or
- (ii) in the case of Warrants unless otherwise specified in the applicable Final Terms or in the case of Certificates, unless Delayed Redemption on Occurrence of Extraordinary Event is specified as applicable in the applicable Final Terms, cancel or redeem, as the case may be, part (in the case of Share Securities relating to a basket of Shares) or all (in any other case) of the Securities, in which case following such cancellation, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the relevant Securities being redeemed and may only be able to do so at a significantly lower rate and potential investors should consider reinvestment risk in light of other investments available at that time; or
- (iii) in the case of Certificates and if Delayed Redemption on Occurrence of Extraordinary 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 Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, as the case may be, 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 relevant 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 greater, the Notional Amount.

Commodity Securities and Market Disruption Event

If a Disappearance of Commodity Reference Price, or a Material Change in Formula, or a Material Change in Content, then:

- (i) The Calculation Agent will determine if such event has a material effect on the Securities and, if so, will calculate the relevant Interest Amount and/or Cash Settlement Amount and/or make another relevant calculation using, in lieu of a published price for the relevant Commodity, the price for that Commodity as at the time specified on the relevant Pricing Date as determined by the Calculation Agent taking into consideration the latest available quotation for such Commodity and any other information that in good faith it deems relevant; or
- (ii) in the case of Warrants unless otherwise specified in the applicable Final Terms or in the case of Certificates unless Delayed Redemption on Occurrence of Market Disruption Event is specified as being applicable in the applicable Final Terms, on giving notice to Holders, the Issuer will 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 such Certificate, less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion; or
- (iii) in case of Certificates and if Delayed Redemption on Occurrence of Market Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent will calculate the fair market value of each Certificate, taking into account the Market Disruption Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the “**Calculated Market Disruption Amount**”) as soon as practicable following the occurrence of the Market Disruption Event (the “**Calculated Market 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 Market Disruption Amount plus interest accrued from and including the Calculated Additional Market Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if greater, the Notional Amount.

Settlement Disruption Events

In the case of Physical Delivery Securities, if a Settlement Disruption Event occurs or exists on the Settlement Date or the Redemption Date respectively, settlement will be postponed until the next Settlement Business Day in respect of which there is no Settlement Disruption Event. The relevant Issuer in these circumstances also has the right to pay the Disruption Cash Settlement Price (as defined below) in lieu of delivering the Entitlement. As further described below, the Disruption Cash Settlement Price may be less than the fair market value of the Entitlement.

Option to Vary Settlement

If so indicated in the Final Terms, the Issuers may, in their sole and absolute discretion, elect to vary the settlement of the Securities, by (i) in the case of Cash Settled Securities, delivering or procuring delivery of the Entitlement instead of making payment of the Cash Settlement Amount to the relevant Holders or (ii) in the case of Physical Delivery Securities, making payment of the Cash Settlement Amount to the relevant Holders instead of delivering or procuring delivery of the Entitlement.

Option to Substitute Assets or to Pay the Alternate Cash Amount

The Issuers may, in their sole and absolute discretion, if the Calculation Agent determines (in its sole and absolute discretion) that the Relevant Asset or Relevant Assets as the case may be, comprises assets which are not freely tradable, elect either (i) to substitute a Substitute Asset or Substitute Assets, as the case may be, for the Relevant Asset or Relevant Assets or (ii) 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 the Alternate Cash Amount.

Certificates Subject to Optional Redemption or Cancellation by the Relevant Issuer or Other Early Redemption or Cancellation

An optional or other early redemption (or cancellation) feature is likely to limit the market value of the Certificates. In the case of Certificates having an optional redemption (or cancellation) feature, during any period when the relevant Issuer may elect to redeem (or cancel) the relevant Certificates, the market value of those Certificates generally will not rise substantially above the price at which they can be redeemed (or cancelled). This also may be true prior to any redemption (or cancellation) period. In addition, the Final Terms may provide that the relevant Certificates shall be redeemed (or cancelled) early in specified circumstances. Following an optional or early redemption (or cancellation), a Holder generally would not be able to reinvest the redemption (or cancellation) proceeds (if any) at an effective interest rate as high as the interest rate on the relevant Certificates being redeemed (or cancelled) and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Formula Linked Interest: no Interest Amount may be payable on any Interest Payment Date

If any Interest Amount is payable in respect of any Certificates, investors may not be entitled to receive any such Interest Amount on the relevant dates in certain specified circumstances so indicated in the Final Terms.

Interest linked to a Relevant Factor

The relevant Issuer may issue Certificates with interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a “Relevant Factor”). In addition, the relevant Issuer may issue Certificates with interest payable in one or more currencies which may be different from the currency in which the Certificates are denominated. Potential investors should be aware that:

- (i) the market price of such Securities may be volatile;
- (ii) they may receive no interest;
- (iii) payment of interest may occur at a different time or in a different currency than expected;
- (iv) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (v) if a Relevant Factor is applied to Certificates in conjunction with a weighting greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on interest payable will be magnified;
- (vi) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations (in general, the earlier the change in the Relevant Factor, the greater the effect on yield); and
- (vii) interest may only be payable and/or calculated in respect of certain specified days and/or periods on or during which the Relevant Factor or its value equals, exceeds and/or is less than certain specified thresholds.

Limited Exposure to Underlying Reference

If the applicable Final Terms provide that the exposure of the relevant Securities to one or more Underlying References is limited or capped to a certain level or amount, the relevant Securities will not benefit from any upside in the value of any such Underlying References beyond such limit or cap.

The Final Cash Settlement Amount or Redemption Amount May Be Less than the Value of an Investment in the Securities

Each Holder may receive a Cash Settlement Amount or Redemption Amount and/or physical delivery of the Entitlement the aggregate value of which may be less and in certain circumstances significantly less than the value of the Holder's investment in the relevant Securities.

Certain Additional Risk Factors Relating to market access products

Prospective purchasers of the Securities should note that the Securities are market access products in that the Issuer's obligations in respect thereof may be hedged by means of the Share(s), the Index, the Shares comprised in the Index, the Shares relating to the depositary receipts, the Debt Securities and/or any instrument used for the purposes of hedging obligations under the Securities being held by a Qualified Investor which is a company within the Issuer's group. Although the prospective purchaser of the Securities will have no proprietary interest in such Share(s), the Index, the Shares comprised in the Index, the Shares relating to the depositary receipts, the Debt Securities and/or any instrument used for the purposes of hedging obligations under the Securities however the economic and other risks associated with such Shares, the Index, the Shares comprised in the Index, the Shares relating to the depositary receipts, the Debt Securities and/or instrument shall be assumed by the prospective purchasers of Securities as set out further in the Warrant Conditions or the Certificate Conditions.

No assurance can be given as to the liquidity of any trading market for the Securities. Prospective purchasers of the Securities should note that the liquidity of any trading market for the Securities is directly linked to the liquidity of any trading market for the Shares, the depositary receipts, the Debt Securities or the Index or contracts or instruments which reference the Index.

Prospective purchasers of the Securities should also be aware that the probability of the occurrence of a Hedging Disruption Event (or other Adjustment Event under the relevant legal terms as set out further in the Warrant Conditions or the Certificate Conditions) and consequently loss of investment or profit by an investor may be higher for certain developing or emerging markets such as the Islamic Republic of Pakistan, Indonesia, Malaysia, Thailand, India, People's Republic of China, Korea, Taiwan and the Socialist Republic of Vietnam. Prospective purchasers are expected to conduct their own enquiries and be satisfied that there are additional risks associated with investments linked to the performance of underlying assets located in these markets.

Post-issuance Information

Applicable Final Terms may specify that the relevant Issuer will not provide post-issuance information in relation to the Underlying Reference. In such an event, investors will not be entitled to obtain such information from the relevant Issuer.

Certain Additional Risk Factors Associated with Warrants

Limitations on Exercise of Warrants

If so indicated in the Final Terms, the relevant Issuer will have the option to limit the number of Warrants exercisable on any date (other than the final exercise date) to the maximum number specified in the Final Terms and, in conjunction with such limitation, to limit the number of Warrants exercisable by any person or group of persons (whether or not acting in concert) on such date. In the event that the total number of Warrants being exercised on any date (other than the final exercise date) exceeds such maximum number and the Issuer elects to limit the number of Warrants exercisable on such date, a holder may not be able to exercise on such date all Warrants that such holder desires to exercise. In any such case, the number of Warrants to be exercised on such date will be reduced until the total number of Warrants exercised on such date no longer exceeds such maximum, such Warrants being selected at the discretion of the Issuer or in any other manner specified in the applicable Final Terms. Unless otherwise specified in the Final Terms,

the Warrants tendered for exercise but not exercised on such date will be automatically exercised on the next date on which Warrants may be exercised, subject to the same daily maximum limitation and delayed exercise provisions.

Minimum Exercise Amount of Warrants

If so indicated in the Final Terms, a holder must tender or, in the case of automatic exercise, hold, a specified number of Warrants at any one time in order to exercise. Thus, holders with fewer than the specified minimum number of Warrants will either have to sell their Warrants or purchase additional Warrants, incurring transaction costs in each case, in order to realise their investment. Furthermore, holders of such Warrants incur the risk that there may be differences between the trading price of such Warrants and the Cash Settlement Amount (in the case of Cash Settled Warrants) or the Physical Settlement Value (in the case of Physical Delivery Warrants) of such Warrants.

Time Lag after Exercise of Warrants

In the case of any exercise of Warrants, there will be a time lag between the time a holder gives instructions to exercise and the time the applicable Cash Settlement Amount (in the case of Cash Settled Warrants) relating to such exercise is determined. Any such delay between the time of exercise and the determination of the Cash Settlement Amount will be specified in the applicable Final Terms or the applicable Terms and Conditions. However, such delay could be significantly longer, particularly in the case of a delay in exercise of Warrants arising from any daily maximum exercise limitation, the occurrence of a Market Disruption Event or failure to open of an exchange (if applicable) or following the imposition of any exchange controls or other similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies) in the case of Currency Warrants. The applicable Cash Settlement Amount may change significantly during any such period, and such movement or movements could decrease the Cash Settlement Amount of the relevant Warrants and may result in such Cash Settlement Amount being zero.

FINAL TERMS DATED 20 March 2008

BNP Paribas Arbitrage Issuance B.V.

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

Warrants on Italian Shares Second Series 2008



*(incorporated in France)
(as Guarantor)*

BNP Paribas Arbitrage S.N.C.
(as Manager)

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the sections entitled “Terms and Conditions of the Warrants” and “Annex 2 – Additional Terms and Conditions for Share Warrants” of the Base Prospectus dated 30 May 2007, the First Supplement to the Base Prospectus dated 11 July 2007, the Second Supplement to the Base Prospectus dated 3 October 2007, the Third Supplement to the Base Prospectus dated 8 January 2008, the Fourth Supplement dated 21 February 2008 and the Fifth Supplement to the Base Prospectus dated 5 March 2008, which together constitute a base prospectus for the purpose of the Directive 2003/71/EC (the “**Prospectus Directive**”). The Base Prospectus dated 30 May 2007, the First Supplement to the Base Prospectus dated 11 July 2007, the Second Supplement to the Base Prospectus dated 3 October 2007, the Third Supplement to the Base Prospectus dated 8 January 2008, the Fourth Supplement dated 21 February 2008 and the Fifth Supplement to the Base Prospectus dated 5 March 2008, have been passported into Italy in compliance with Article 18 of the Prospectus Directive. This document constitutes the Final Terms of the Warrants described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on BNP Paribas Arbitrage Issuance B.V. (the “**Issuer**”) and the offer of the Warrants is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at BNP Paribas Securities Services, Luxembourg Branch, 33 rue de Gasperich, Howald-Hesperange, L-2085 Luxembourg, on the Luxembourg’s Stock Exchange’s website www.bourse.lu and copies may be obtained free of charge at the specified office of the Warrant Agent.

References herein to numbered Conditions are to the terms and conditions of the relevant series of Warrants 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 Warrants, save as where otherwise expressly provided.

These Final Terms relate to the series of Warrants as set out in “**Summary of the features of the Warrant**” in Part C. References herein to “Warrants” shall be deemed to be references to the relevant Warrants that are the subject of these Final Terms and references to “Warrants” and “Warrant” shall be construed accordingly.

1. Issuer: BNP Paribas Arbitrage Issuance B.V
2. Guarantor: BNP Paribas

SPECIFIC PROVISIONS FOR EACH SERIES

See "**Summary of the features of the Warrant**" in Part C.

GENERAL PROVISIONS

The following terms apply to each series of Warrants:

3. Trade Date: The trade date of the Warrants is 20 March 2008.
4. Issue Date: The issue date of the Warrants is 20 March 2008.
5. Consolidation: Not Applicable.
6. Type of Warrants: The Warrants are Share Warrants .

The Warrants are European style Warrants, as indicated in "**Summary of the features of the Warrant**" in Part C.

The Warrants are Call Warrants and Put Warrants, as set out in "**Summary of the features of the Warrant**" in Part C.
7. Form of Warrants: Dematerialised Italian Warrants.
8. Business Day Centre(s): The applicable Business Day Centre for the purposes of the definition of "Business Day" in Condition 4 is Target.
9. Settlement: Settlement will be by way of cash payment (**Cash Settled Warrants**).
10. Variation of Settlement:
 - (a) Issuer's option to vary settlement: The Issuer does not have the option to vary settlement in respect of the Warrants.
 - (b) Variation of Settlement of Physical Delivery Warrants: Not Applicable.
11. Relevant Asset(s): Not Applicable.
12. Entitlement: Not Applicable.
13. Exchange Rate: Not Applicable.
14. Settlement Currency: The settlement currency for the payment of the Cash

Settlement Amount is Euro ("EUR").

15. Agent: BNP Paribas Securities Services, Milan Branch.

16. Calculation Agent: BNP Paribas Arbitrage SNC.

8 rue de Sofia

75018 Paris

France.

17. Governing Law: English law.

18. Special conditions or other **Strike Date** is 20 March 2008.

modifications to the Terms and
Conditions:

Trading Code of Borsa Italiana is the code indicated in
"Summary of the features of the Warrant" in Part C.

Underlying Currency: is the Currency in which the
Exercise Price is expressed indicated in "Summary of
the features of the Warrant" in Part C.

Reference Price of the Underlying is the "*Prezzo di
Riferimento*" as calculated by Borsa Italiana.

Condition 3 – Guarantee

*The following shall be deemed to be deleted at the end of
letter (i) of Condition 3 (Guarantee):*

“less the costs of unwinding any underlying related
hedging arrangements”

***Condition 5 (3)(b) (Settlement Disruption); Condition
8.1 (Illegality); Condition 8.2 (Force Majeure);
Condition 16 (c)(ii) and (iv) (Additional Disruption
Events)***

*The following shall be deemed to be deleted in the
definition of **Disruption Cash Settlement Price** in
Condition 5(3)(b) (Settlement Disruption), in Condition
8.1 (Illegality), in Condition 8.2 (Force Majeure), and in
Condition 16 (c)(ii) and (iv) :*

“less the cost to the Issuer and/or its Affiliates of
unwinding any underlying related hedging arrangements”

Condition 5.6 – General

*The following shall be deemed to be added at the end of
the second paragraph of Condition 5.6 (General):*

“unless such errors or omissions are due to its own wilful
misconduct or gross negligence”.

Condition 8 (Potential Adjustment Events)

The following sentence shall be deemed to be added at the end of Condition 8 (Potential Adjustment Events)

“The Calculation Agent will adjust any relevant terms of the Warrants as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Warrants”.

Condition 14 - Substitution of the Issuer or the Guarantor

Condition 14.2 shall be deemed to be deleted and replaced by the following:

“Where the Issuer is BNPP B.V., BNPP or any previous substituted company, in its capacity as guarantor, may not be substituted by any other company”.

Condition 16 –Additional Disruption Events

The following sentence shall be deemed to be added at the end of Condition 16 (Additional Disruption Events) (C)

“The Calculation Agent will adjust any relevant terms of the Warrants as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Warrants”.

Annex 2 (Additional Terms and Conditions for Share Warrants)

The following sentence shall be deemed to be added at the end of Annex 2 (3) (Potential Adjustment Events)

“The Calculation Agent will adjust any relevant terms of the Warrants as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Warrants”.

The following shall be deemed to be deleted from Annex 2 (Additional Terms and Conditions for Share Warrants (9 – Merger Event, Tender Offer, De-Listing, Nationalisation and Insolvency) (b) and (c):

“less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements”.

PRODUCT SPECIFIC PROVISIONS

19. Index Warrants: Not Applicable.

20. Share Warrants: The provisions of Annex 2 (*Additional Terms and Conditions for Share Warrants*) shall apply.
- (a) Share(s)/Share Company/Basket Company: See "**Summary of the features of the Warrant**" in Part C.
- o (b) Exchange Business Day: Single Share Basis.
- (c) Scheduled Trading Day: Single Share Basis.
- (d) Exchange(s): See "**Summary of the features of the Warrant**" in Part C.
- (e) Related Exchange(s): See "**Summary of the features of the Warrant**" in Part C.
- (f) Weighting: Not Applicable.
- (g) Settlement Price: The settlement price will be calculated on the basis of the "*Prezzo di Riferimento*" of the Underlying Share, as defined by Borsa Italiana, on the Valuation Date.
- (h) Disrupted Day: If the Valuation Date is a Disrupted Day, the Settlement Price will be calculated in accordance with the definition of "Valuation Date" provided in Condition 4.
- (i) Relevant Time: The relevant time will be the time when the "*Prezzo di Riferimento*" is calculated by Borsa Italiana.
- (j) Knock-in Event: Not Applicable.
- (k) Knock-out Event: Not Applicable.
- (l) Cancellation on occurrence of Extraordinary Event: As per Conditions.
21. GDR Warrants: Not Applicable.
22. Debt Warrants: Not Applicable.
23. Commodity Warrants: Not Applicable.
24. Inflation Index Warrants: Not Applicable.
25. Currency Warrants: Not Applicable.
26. Fund Warrants: Not Applicable.
27. Market Access Warrants: Not Applicable.
28. Credit Linked Warrants: Not Applicable.
29. Additional Disruption Events: (a) The following Additional Disruption Events

apply to the Warrants:

Change in Law

Insolvency Filing

(b) Cancellation on Occurrence of Additional Disruption Event: Not Applicable.

PROVISIONS RELATING TO EXERCISE, VALUATION AND SETTLEMENT

30. Units: Warrants must be exercised in Units. Each Unit consists of the number of Warrants set out in "**Summary of the features of the Warrant**" in Part C.
31. Minimum Exercise Number: One Unit.
32. Maximum Exercise Number: Not Applicable.
33. Exercise Price(s): The exercise price(s) per Unit (which may be subject to adjustment in accordance with "Annex 2 – Additional Terms and Conditions for Share Warrants") is set out in "**Summary of the features of the Warrant**" in Part C.
34. Exercise Date: The exercise date is 2 September 2008, provided that, if such date is not an Exercise Business Day, the Exercise Date shall be the immediately succeeding Exercise Business Day.
- Automatic Exercise applies on the Exercise Date.
- For the purposes of Borsa Italiana, the Exercise Date shall be the date on which the Warrants expire.
35. Exercise Period: Not Applicable.
36. Valuation Date: The Exchange Business Day preceding the Exercise Date.
37. Averaging: Averaging does not apply to the Warrants.
38. Observation Dates: Not Applicable.
39. Observation Period: Not Applicable.
40. Specified Maximum Days of Disruption: Eight (8) Scheduled Trading Days.
41. Cash Settlement Amount: A holder of a Unit of Warrants, upon due exercise, will receive from the Issuer on the Settlement Date, in respect of each Unit, a Cash Settlement Amount calculated by the Calculation Agent (which shall not be less than zero) equal to:
- for Call Warrants: MAX ((Settlement Price - Exercise Price); 0) x Parity x Unit;***
- for Put Warrants: MAX ((Exercise Price - Settlement***

Price); 0)) x Parity x Unit;

where:

Settlement Price is the price indicated in §20 (g);

Exercise Price is the price indicated in § 33;

Parity is the number indicated in "**Summary of the features of the Warrant**" in Part C, which may be subject to adjustments; and

Unit is the number of Warrants indicated in § 30.

Pursuant the Rules of the markets organised and managed by Borsa Italiana S.p.A., each Holder may notify the Issuer that it renounces its right to payment of any such Cash Settlement Amount, by delivery to the Agent, as the case may be, not later than 10.00 a.m. (Milan Time) on the Exercise Date of a notice (the "**Renouncement Notice**", substantially in the form of Part B in these Final Terms).

Copies of the Renouncement Notice may be obtained during normal business hours from the specified office of any Certificate Agent.

If no Renouncement Notice is received on the Exercise Date or such notice is received after 10.00 a.m. (Local Time) on the Exercise Date, the Cash Settlement Amount shall be paid automatically by the Issuer on the Settlement Date.

No Renouncement Notice may be withdrawn after receipt thereof by the relevant Agent. After delivery of a Renouncement Notice, the relevant Holder may not transfer the Certificates which are the subject of such Renouncement Notice.

42. Settlement Date: The fifth Business Day after the Valuation Date (as per Conditions).

DISTRIBUTION AND US SALES ELIGIBILITY

43. Selling Restrictions: As described in the Base Prospectus, as supplemented.

(a) Eligibility for sale of Warrants in the United States to AIs: The Warrants are not eligible for sale in the United States to AIs.

(b) Eligibility for sale of Warrants in the United States to QIBs within the meaning of Rule 144a: The Warrants are not eligible for sale in the United States under Rule 144A to QIBs.

44. Additional U.S. federal income tax consequences: Not Applicable.
45. Registered broker/dealer: Not Applicable.
46. Syndication: Not Applicable.

Listing Application

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Warrants described.

Responsibility

The Issuer accepts responsibility for the information contained in these Final Terms. The information included in Part B (the **Share Information**) consists of extracts from or summaries of information that is publicly available in respect of the Share. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the Share company, no facts have been omitted which would render the reproduced inaccurate or misleading.

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

As Issuer:

By:.....
Duly authorised

PART B – OTHER INFORMATION

1. Listing and Admission to trading:

Application will be made to list the Warrants on the Italian Stock Exchange and to admit the Warrants described herein for trading on the electronic "Securitized Derivatives Market" (the "SeDeX"), organised and managed by Borsa Italiana S.p.A.

2. Ratings

The Warrants to be issued have not been rated.

The rating of the Guarantor is Aa1 from Moody's and AA+ from Standard and Poor's.

3. Risk Factors

As described in the Base Prospectus, as supplemented.

4. Notification

On 6 June 2007, the *Commission de Surveillance du Secteur Financier* has provided CONSOB with a copy of the Base Prospectus dated 30 May 2007 together with the Italian translation of the summary thereof, and a certificate of approval attesting that the said Base Prospectus has been drawn up in accordance with the Prospectus Directive. The *Commission de Surveillance du Secteur Financier* has also provided CONSOB with copies of the Supplements to the Base Prospectus and the relevant certificates of approval, respectively on 12 July 2007, 4 October 2007, 9 January 2008, 22 February 2008 and 7 March 2008.

5. Interests of Natural and Legal Persons Involved in the Offer

As described in section "Risk Factors" in the Base Prospectus, as supplemented.

6. Performance of Underlying/Formula/Other Variable, Explanation of Effect on Value of Investment and Associated Risks and Other Information concerning the Underlying

The Warrants are European Call and Put warrants. The formula for calculating the Cash Settlement Amount is described in § 41.

Prospective purchasers of the Warrants should recognise that their Warrants may expire worthless.

During the secondary market period, the price of the Warrants will depend upon market conditions and may be subject to significant fluctuations.

7. Operational Information

Relevant Clearing System: Monte Titoli.

8. INFORMATION CONCERNING THE UNDERLYING

Name of the issuer of the underlying security:	As indicated in " Summary of the features of the Warrant " in Part C.
ISIN Code of the underlying:	As indicated in " Summary of the features of the Warrant " in Part C.
Adjustment rules with relation to events concerning the underlying:	As detailed in Annex 2 (Additional Terms and Conditions for Share Warrants) contained in the Base Prospectus.
Source of information relating to the underlying security	Past and futures performances and volatility of the Share are also notably available on Bloomberg.
Place where information relating to the Underlying can be obtained	As indicated in " Summary of the features of the Warrant " in Part C.
Post-Issuance information:	The Issuer does not intend to provide any Post-Issuance information.

PART C

SUMMARY TABLE OF THE FEATURES OF THE WARRANTS

REFERENCE	SERIES	NO. WARRANTS	NO. WARRANTS PER UNIT	ISIN CODE	COMMON CODE	TRADING CODE	ISSUE PRICE PER WARRANTS	CALL / PUT	EUROPEAN / AMERICAN	EXERCISE PRICE	PARITY	UNDERLYING	ISIN CODE OF UNDERLYING	REUTERS CODE OF UNDERLYING	BLOOMBERG CODE OF UNDERLYING	CURRENCY	WEBSITE OF THE ISSUER OF THE UNDERLYING	EXCHANGE	RELATED EXCHANGE
WT0074UR	1	3,000,000	100	NL0006089914	35443398	P89914	0.017	Call	European	0.4	0.1	Alitalia	IT0003918577	AZPla.MI	AZA IM	Euro	www.alitalia.com	Borsa Italiana	IDEM
WT0075UR	2	3,000,000	100	NL0006089922	35443401	P89922	0.009	Call	European	0.5	0.1	Alitalia	IT0003918577	AZPla.MI	AZA IM	Euro	www.alitalia.com	Borsa Italiana	IDEM
WT0076UR	3	3,000,000	100	NL0006089930	35443410	P89930	0.048	Call	European	8	0.1	Alleanza	IT0000078193	ALZI.MI	AL IM	Euro	www.alleanzaasicurazioni.it	Borsa Italiana	IDEM
WT0077UR	4	3,000,000	100	NL0006089948	35443428	P89948	0.014	Call	European	9	0.1	Alleanza	IT0000078193	ALZI.MI	AL IM	Euro	www.alleanzaasicurazioni.it	Borsa Italiana	IDEM
WT0078UR	5	3,000,000	100	NL0006089955	35443436	P89955	0.194	Call	European	20	0.1	Atlantia	IT0003506190	ATL.MI	ATL IM	Euro	www.atlantia.it	Borsa Italiana	IDEM
WT0079UR	6	3,000,000	100	NL0006089963	35443444	P89963	0.068	Call	European	23	0.1	Atlantia	IT0003506190	ATL.MI	ATL IM	Euro	www.atlantia.it	Borsa Italiana	IDEM
WT0080UR	7	3,000,000	100	NL0006089971	35443452	P89971	0.017	Call	European	2.8	0.1	BMPS	IT0001334587	BMPS.MI	BMPS IM	Euro	www.mps.it	Borsa Italiana	IDEM
WT0081UR	8	3,000,000	100	NL0006089989	35443479	P89989	0.005	Call	European	3.2	0.1	BMPS	IT0001334587	BMPS.MI	BMPS IM	Euro	www.mps.it	Borsa Italiana	IDEM
WT0082UR	9	3,000,000	100	NL0006089997	35443487	P89997	0.070	Call	European	7	0.1	BPM	IT0000064482	PMII.MI	BPM IM	Euro	www.bpm.it/	Borsa Italiana	IDEM
WT0083UR	10	3,000,000	100	NL0006090003	35443495	P90003	0.032	Call	European	8	0.1	BPM	IT0000064482	PMII.MI	BPM IM	Euro	www.bpm.it/	Borsa Italiana	IDEM
WT0084UR	11	3,000,000	100	NL0006090011	35443509	P90011	0.051	Call	European	6.5	0.1	Enel	IT0003128367	ENEI.MI	ENEL IM	Euro	www.enel.it/	Borsa Italiana	IDEM
WT0085UR	12	3,000,000	100	NL0006090029	35443517	P90029	0.028	Call	European	7	0.1	Enel	IT0003128367	ENEI.MI	ENEL IM	Euro	www.enel.it/	Borsa Italiana	IDEM
WT0086UR	13	3,000,000	100	NL0006090037	35443525	P90037	0.006	Call	European	8	0.1	Enel	IT0003128367	ENEI.MI	ENEL IM	Euro	www.enel.it/	Borsa Italiana	IDEM
WT0071UR	14	3,000,000	100	NL0006090045	35443533	P90045	0.246	Call	European	21	0.1	Eni	IT0003132476	ENI.MI	ENI IM	Euro	www.eni.it	Borsa Italiana	IDEM
WT0088UR	15	3,000,000	100	NL0006090052	35443541	P90052	0.128	Call	European	23	0.1	Eni	IT0003132476	ENI.MI	ENI IM	Euro	www.eni.it	Borsa Italiana	IDEM
WT0089UR	16	3,000,000	100	NL0006090060	35443550	P90060	0.058	Call	European	25	0.1	Eni	IT0003132476	ENI.MI	ENI IM	Euro	www.eni.it	Borsa Italiana	IDEM
WT0090UR	17	3,000,000	100	NL0006090078	35443568	P90078	0.102	Call	European	12	0.1	Fiat	IT00001976403	FIA.MI	F IM	Euro	www.fiatgroup.com	Borsa Italiana	IDEM
WT0091UR	18	3,000,000	100	NL0006090086	35443576	P90086	0.100	Call	European	14	0.1	Fiat	IT00001976403	FIA.MI	F IM	Euro	www.fiatgroup.com	Borsa Italiana	IDEM
WT0092UR	19	3,000,000	100	NL0006090094	35443584	P90094	0.097	Call	European	16	0.1	Fiat	IT00001976403	FIA.MI	F IM	Euro	www.fiatgroup.com	Borsa Italiana	IDEM

WT0093UR	20	3,000,000	100	NL0006090102	35443592	P90102	0.095	Call	European	18	0.1	Fiat	IT00001976403	FIA.MI	F IM	Euro	www.fiatgroup.com	Borsa Italiana	IDEM
WT0094UR	21	3,000,000	100	NL0006090110	35443606	P90110	0.248	Put	European	13	0.1	Fiat	IT00001976403	FIA.MI	F IM	Euro	www.fiatgroup.com	Borsa Italiana	IDEM
WT0095UR	22	3,000,000	100	NL0006090128	35443614	P90128	0.125	Put	European	11	0.1	Fiat	IT0001976403	FIA.MI	F IM	Euro	www.fiatgroup.com	Borsa Italiana	IDEM
WT0096UR	23	3,000,000	100	NL0006090136	35443622	P90136	0.050	Put	European	9	0.1	Fiat	IT0001976403	FIA.MI	F IM	Euro	www.fiatgroup.com	Borsa Italiana	IDEM
WT0097UR	24	3,000,000	100	NL0006090144	35443649	P90144	0.258	Call	European	26	0.1	Generali	IT0000062072	GASI.MI	G IM	Euro	www.generali.it	Borsa Italiana	IDEM
WT0098UR	25	3,000,000	100	NL0006090151	35443657	P90151	0.106	Call	European	29	0.1	Generali	IT0000062072	GASI.MI	G IM	Euro	www.generali.it	Borsa Italiana	IDEM
WT0099UR	26	3,000,000	100	NL0006090169	35443665	P90169	0.035	Call	European	32	0.1	Generali Intesa	IT0000062072	GASI.MI	G IM	Euro	www.generali.it	Borsa Italiana	IDEM
WT0100UR	27	3,000,000	100	NL0006090177	35443673	P90177	0.039	Call	European	4	0.1	San Paolo Intesa	IT0000072618	ISP.MI	ISP IM	Euro	www.intesasnpaolo.com	Borsa Italiana	IDEM
WT0101UR	28	3,000,000	100	NL0006090185	35443681	P90185	0.016	Call	European	4.5	0.1	San Paolo Intesa	IT0000072618	ISP.MI	ISP IM	Euro	www.intesasnpaolo.com	Borsa Italiana	IDEM
WT0102UR	29	3,000,000	100	NL0006090193	35443690	P90193	0.005	Call	European	5	0.1	San Paolo	IT0000072618	ISP.MI	ISP IM	Euro	www.intesasnpaolo.com	Borsa Italiana	IDEM
WT0103UR	30	3,000,000	100	NL0006090201	35443703	P90201	0.018	Call	European	2.5	0.1	Parmalat	IT0003826473	PLT.MI	PLT IM	Euro	www.parmalat.com/	Borsa Italiana	IDEM
WT0104UR	31	3,000,000	100	NL0006090219	35443711	P90219	0.004	Call	European	3	0.1	Parmalat	IT0003826473	PLT.MI	PLT IM	Euro	www.parmalat.com/	Borsa Italiana	IDEM
WT0105UR	32	3,000,000	100	NL0006090227	35443720	P90227	0.317	Call	European	27	0.1	Saipem	IT0000068525	SPMI.MI	SPM IM	Euro	www.saipem.it/	Borsa Italiana	IDEM
WT0106UR	33	3,000,000	100	NL0006090235	35443738	P90235	0.176	Call	European	30	0.1	Saipem	IT0000068525	SPMI.MI	SPM IM	Euro	www.saipem.it/	Borsa Italiana	IDEM
WT0107UR	34	3,000,000	100	NL0006090243	35443746	P90243	0.058	Call	European	7	0.1	Stm	NL0000226223	STM.MI	STM IM	Euro	www.st.com/	Borsa Italiana	IDEM
WT0108UR	35	3,000,000	100	NL0006090250	35443754	P90250	0.010	Call	European	9	0.1	Stm	NL0000226223	STM.MI	STM IM	Euro	www.st.com/	Borsa Italiana	IDEM
WT0109UR	36	3,000,000	100	NL0006090268	35443762	P90268	0.012	Call	European	1.4	0.1	Telecom Italia	IT0003497168	TLIT.MI	TIT IM	Euro	www.telecomitalia.it	Borsa Italiana	IDEM
WT0110UR	37	3,000,000	100	NL0006090276	35443789	P90276	0.005	Call	European	1.6	0.1	Telecom Italia	IT0003497168	TLIT.MI	TIT IM	Euro	www.telecomitalia.it	Borsa Italiana	IDEM
WT0111UR	38	3,000,000	100	NL0006090284	35443797	P90284	0.002	Call	European	1.8	0.1	Telecom Italia	IT0003497168	TLIT.MI	TIT IM	Euro	www.telecomitalia.it	Borsa Italiana	IDEM
WT0112UR	39	3,000,000	100	NL0006090292	35443819	P90292	0.165	Call	European	16	0.1	Tenaris	LU0156801721	TENR.MI	TEN IM	Euro	www.tenaris.com/	Borsa Italiana	IDEM
WT0113UR	40	3,000,000	100	NL0006090300	35443827	P90300	0.080	Call	European	18	0.1	Tenaris	LU0156801721	TENR.MI	TEN IM	Euro	www.tenaris.com/	Borsa Italiana	IDEM
WT0114UR	41	3,000,000	100	NL0006090318	35443835	P90318	0.072	Call	European	4	0.1	Unicredit	IT0000064854	CRDI.MI	UCG IM	Euro	www.unicreditgroup.eu	Borsa Italiana	IDEM
WT0115UR	42	3,000,000	100	NL0006090326	35443843	P90326	0.042	Call	European	4.5	0.1	Unicredit	IT0000064854	CRDI.MI	UCG IM	Euro	www.unicreditgroup.eu	Borsa Italiana	IDEM
WT0116UR	43	3,000,000	100	NL0006090334	35443851	P90334	0.022	Call	European	5	0.1	Unicredit	IT0000064854	CRDI.MI	UCG IM	Euro	www.unicreditgroup.eu	Borsa Italiana	IDEM
WT0117UR	44	3,000,000	100	NL0006090342	35443860	P90342	0.148	Call	European	12	0.1	Mediobanca	IT0000062957	MDBI.MI	MB IM	Euro	www.mediobanca.it	Borsa Italiana	IDEM
WT0118UR	45	3,000,000	100	NL0006090359	35443878	P90359	0.019	Call	European	15	0.1	Mediobanca	IT0000062957	MDBI.MI	MB IM	Euro	www.mediobanca.it	Borsa Italiana	IDEM

WT0119UR	46	3,000,000	100	NL0006090367	35443886	P90367	0.028	Call	European	5.5	0.1	Mediaset	IT0001063210	MS.MI	MS IM	Euro	www.mediaset.mi	Borsa Italiana	IDEM
WT0120UR	47	3,000,000	100	NL0006090375	35443894	P90375	0.006	Call	European	6.5	0.1	Mediaset	IT0001063210	MS.MI	MS IM	Euro	www.mediaset.mi	Borsa Italiana	IDEM
WT0111UR	48	3,000,000	100	NL0006090383	35443908	P90383	0.037	Call	European	3	0.1	Impregilo	IT0003865570	IPGI.MI	IPG IM	Euro	www.impregilo.it	Borsa Italiana	IDEM
WT0122UR	49	3,000,000	100	NL0006090391	35443916	P90391	0.007	Call	European	4	0.1	Impregilo Buzzi	IT0003865570	IPGI.MI	IPG IM	Euro	www.impregilo.it	Borsa Italiana	IDEM
WT0123UR	50	3,000,000	100	NL0006090409	35443924	P90409	0.172	Call	European	15	0.1	Unicem Buzzi	IT0001347308	BZU.MI	BZU IM	Euro	www.buzziunicem.it	Borsa Italiana	IDEM
WT0124UR	51	3,000,000	100	NL0006090417	35443932	P90417	0.051	Call	European	18	0.1	Unicem Finmeccanica	IT0001347308	BZU.MI	BZU IM	Euro	www.buzziunicem.it	Borsa Italiana	IDEM
WT0125UR	52	3,000,000	100	NL0006090425	35443959	P90425	0.205	Call	European	20	0.1	Finmeccanica	IT0003856405	SIFI.MI	FNC IM	Euro	www.finmeccanica.it	Borsa Italiana	IDEM
WT0126UR	53	3,000,000	100	NL0006090433	35443967	P90433	0.067	Call	European	23	0.1	Finmeccanica	IT0003856405	SIFI.MI	FNC IM	Euro	www.finmeccanica.it	Borsa Italiana	IDEM
WT0127UR	54	3,000,000	100	NL0006090441	35443975	P90441	0.152	Call	European	21	0.1	Lottomatica	IT0003990402	LTO.MI	LTO IM	Euro	www.lottomatica.it	Borsa Italiana	IDEM
WT0128UR	55	3,000,000	100	NL0006090458	35443983	P90458	0.036	Call	European	25	0.1	Lottomatica	IT0003990402	LTO.MI	LTO IM	Euro	www.lottomatica.it	Borsa Italiana	IDEM
WT0129UR	56	3,000,000	100	NL0006090466	35443991	P90466	0.007	Call	European	3	0.1	Terna	IT0003242622	TRN.MI	TRN IM	Euro	www.terna.it	Borsa Italiana	IDEM
WT0130UR	57	3,000,000	100	NL0006090474	35444009	P90474	0.008	Call	European	3.5	0.1	Terna	IT0003242622	TRN.MI	TRN IM	Euro	www.terna.it	Borsa Italiana	IDEM
WT0131UR	58	3,000,000	100	NL0006090482	35444017	P90482	0.002	Call	European	0.15	0.1	Seat PG	IT0003479638	PGIT.MI	PG IM	Euro	www.seat.it/	Borsa Italiana	IDEM
WT0132UR	59	3,000,000	100	NL0006090490	35444025	P90490	0.004	Call	European	0.2	0.1	Seat PG	IT0003479638	PGIT.MI	PG IM	Euro	www.seat.it/	Borsa Italiana	IDEM
WT0133UR	60	3,000,000	100	NL0006090508	35444033	P90508	0.082	Call	European	10	0.1	Autogrill	IT0001137345	AGL.MI	AGL IM	Euro	www.autogrill.it/	Borsa Italiana	IDEM
WT0134UR	61	3,000,000	100	NL0006090516	35444041	P90516	0.019	Call	European	12	0.1	Autogrill	IT0001137345	AGL.MI	AGL IM	Euro	www.autogrill.it/	Borsa Italiana	IDEM
WT0135UR	62	3,000,000	100	NL0006090524	35444050	P90524	0.079	Call	European	7	0.1	Bulgari	IT0001119087	BULG.MI	BUL IM	Euro	www.bulgari.com/	Borsa Italiana	IDEM
WT0136UR	63	3,000,000	100	NL0006090532	35444068	P90532	0.036	Call	European	8	0.1	Bulgari Banco	IT0001119087	BULG.MI	BUL IM	Euro	www.bulgari.com/	Borsa Italiana	IDEM
WT0137UR	64	3,000,000	100	NL0006090540	35444076	P90540	0.079	Call	European	11	0.1	Popolare Banco	IT0004231566	BAPO.MI	BP IM	Euro	www.bancopopolare.it/	Borsa Italiana	IDEM
WT0138UR	65	3,000,000	100	NL0006090557	35444084	P90557	0.022	Call	European	13	0.1	Popolare	IT0004231566	BAPO.MI	BP IM	Euro	www.bancopopolare.it/	Borsa Italiana	IDEM

RENOUNCEMENT NOTICE
(to be completed by the Holder of the Warrant)

BNP Paribas Arbitrage Issuance B.V.

Warrants on Italian Shares Second Series 2008

ISIN: _____

(the **Warrants**)

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

Via ansperito, 5

20123 Milano

Italia

We the undersigned Holder of the Warrants

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

Series No. of the Warrants:

Number of Warrants the subject of this notice:

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

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

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

Place and date:

Signature of the Holder

Name of beneficial owner of the Warrants

Signature

FINAL TERMS DATED 20 March 2008

BNP Paribas Arbitrage Issuance B.V.

(incorporated in The Netherlands)

(as Issuer)

Warrants on S&P/MIB Index Second Series 2008



(incorporated in France)

(as Guarantor)

BNP Paribas Arbitrage S.N.C.

(as Manager)

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the sections entitled “Terms and Conditions of the Warrants” and “Annex 1 – Additional Terms and Conditions for Index Warrants” of the Base Prospectus dated 30 May 2007, the First Supplement to the Base Prospectus dated 11 July 2007, the Second Supplement to the Base Prospectus dated 3 October 2007, the Third Supplement to the Base Prospectus dated 8 January 2008, the Fourth Supplement dated 21 February 2008 and the Fifth Supplement to the Base Prospectus dated 5 March 2008, which together constitute a base prospectus for the purpose of the Directive 2003/71/EC (the “**Prospectus Directive**”). The Base Prospectus dated 30 May 2007, the First Supplement to the Base Prospectus dated 11 July 2007, the Second Supplement to the Base Prospectus dated 3 October 2007, the Third Supplement to the Base Prospectus dated 8 January 2008, the Fourth Supplement dated 21 February 2008 and the Fifth Supplement to the Base Prospectus dated 5 March 2008, have been passported into Italy in compliance with Article 18 of the Prospectus Directive. This document constitutes the Final Terms of the Warrants described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on BNP Paribas Arbitrage Issuance B.V. (the “**Issuer**”) and the offer of the Warrants is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at BNP Paribas Securities Services, Luxembourg Branch, 33 rue de Gasperich, Howald-Hesperange, L-2085 Luxembourg, on the Luxembourg’s Stock Exchange’s website www.bourse.lu and copies may be obtained free of charge at the specified office of the Warrant Agent.

References herein to numbered Conditions are to the terms and conditions of the relevant series of Warrants 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 Warrants, save as where otherwise expressly provided.

These Final Terms relate to the series of Warrants as set out in "**Summary of the features of the Warrant**" in Part C. References herein to “Warrants” shall be deemed to be references to the relevant Warrants that are the subject of these Final Terms and references to “Warrants” and “Warrant” shall be construed accordingly.

1. Issuer: BNP Paribas Arbitrage Issuance B.V
2. Guarantor: BNP Paribas

SPECIFIC PROVISIONS FOR EACH SERIES

See "**Summary of the features of the Warrant**" in Part C.

GENERAL PROVISIONS

The following terms apply to each series of Warrants:

3. Trade Date: The trade date of the Warrants is 20 March 2008.
4. Issue Date: The issue date of the Warrants is 20 March 2008.
5. Consolidation: Not Applicable.
6. Type of Warrants: The Warrants are Index Warrants .

The Warrants are European style Warrants, as indicated in "**Summary of the features of the Warrant**" in Part C.

The Warrants are Call Warrants and Put Warrants, as set out in "**Summary of the features of the Warrant**" in Part C.
7. Form of Warrants: Dematerialised Italian Warrants.
8. Business Day Centre(s): The applicable Business Day Centre for the purposes of the definition of "Business Day" in Condition 4 is Target.
9. Settlement: Settlement will be by way of cash payment (**Cash Settled Warrants**).
10. Variation of Settlement:
 - (a) Issuer's option to vary settlement: The Issuer does not have the option to vary settlement in respect of the Warrants.
 - (b) Variation of Settlement of Physical Delivery Warrants: Not Applicable.
11. Relevant Asset(s): Not Applicable.
12. Entitlement: Not Applicable.
13. Exchange Rate: Not Applicable.

14. Settlement Currency: The settlement currency for the payment of the Cash Settlement Amount is Euro (“EUR”).
15. Agent: BNP Paribas Securities Services, Milan Branch.
16. Calculation Agent: BNP Paribas Arbitrage SNC.
8 rue de Sofia – 75018 Paris (France).
17. Governing Law: English law.
18. Special conditions or other modifications to the Terms and Conditions: **Strike Date** is 20 March 2008.
Trading Code of Borsa Italiana is the code indicated in "Summary of the features of the Warrant" in Part C.

Underlying Currency: is the Currency in which the Exercise Price is expressed indicated in 'Summary of the features of the Warrant' in Part C.

Condition 3 – Guarantee

The following shall be deemed to be deleted at the end of letter (i) of Condition 3 (Guarantee):

“less the costs of unwinding any underlying related hedging arrangements”

Condition 5 (3)(b) (Settlement Disruption); Condition 8.1 (Illegality); Condition 8.2 (Force Majeure); Condition 16 (c)(ii) and (iv) (Additional Disruption Events)

The following shall be deemed to be deleted in the definition of Disruption Cash Settlement Price in Condition 5(3)(b) (Settlement Disruption), in Condition 8.1 (Illegality), in Condition 8.2 (Force Majeure), and in Condition 16 (c)(ii) and (iv) :

“less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements”

Condition 5.6 – General

The following shall be deemed to be added at the end of the second paragraph of Condition 5.6 (General):

“unless such errors or omissions are due to its own wilful misconduct or gross negligence”.

Condition 8 (Potential Adjustment Events)

The following sentence shall be deemed to be added at the end of Condition 8 (Potential Adjustment Events)

“The Calculation Agent will adjust any relevant terms of the

Warrants as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Warrants”.

Condition 14 - Substitution of the Issuer or the Guarantor

Condition 14.2 shall be deemed to be deleted and replaced by the following:

“Where the Issuer is BNPP B.V., BNPP or any previous substituted company, in its capacity as guarantor, may not be substituted by any other company”.

Condition 16 –Additional Disruption Events

The following sentence shall be deemed to be added at the end of Condition 16 (Additional Disruption Events) (C)

“The Calculation Agent will adjust any relevant terms of the Warrants as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Warrants”.

Annex 1 (Additional Terms and Conditions for Index Warrants)

The following sentence shall be deemed to be added at the end of Annex 1 - Paragraph 3.2 - Modification and Cessation of Calculation of an Index

“The Calculation Agent shall replace the Index by a new similar Index, multiplied, if needed be, by a linking coefficient allowing to ensure continuity in the evolution of the underlying asset of the Warrants”.

The following sentence shall be deemed to be deleted from Annex 1 - Paragraph 3.2(b) (Modification and Cessation of Calculation of an Index):

“less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements”.

The following sentence shall be deemed to be added at the end of Annex 1 - Paragraph 3.2 (b):

"The Calculation Agent will adjust any relevant terms of the Warrants as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Warrants ".

PRODUCT SPECIFIC PROVISIONS

19. Index Warrants: The provisions of Annex 1 (*Additional Terms and Conditions for Index Warrants*) shall apply.
- (a) Index/Index Sponsor: See "**Summary of the features of the Warrant**" in Part C.

	(b) Exchange(s):	See " Summary of the features of the Warrant " in Part C
	(c) Related Exchange(s):	See " Summary of the features of the Warrant " in Part C
	(d) Exchange Business Day:	Single Index Basis
	(e) Scheduled Trading Day:	Single Index Basis
	(f) Weighting:	Not Applicable.
	(g) Settlement Price:	The settlement price will be calculated on the basis of the official opening level of the Underlying Index as announced by the Index Sponsor on the Valuation Date.
	(h) Disrupted Day:	If the Valuation Date (as defined in Condition 4), is a Disrupted Day, the Settlement Price will be calculated in accordance with the provisions set out in the definition of Valuation Date in Condition 4.
	(i) Relevant Time:	The time when the official opening level of the Underlying Index is announced by the Index Sponsor.
	(j) Knock-in Event:	Not Applicable
	(k) Knock-out Event:	Not Applicable
	(l) Cancellation on occurrence of Index Adjustment Event:	As per Conditions.
20.	Share Warrants:	Not Applicable.
21.	GDR Warrants:	Not Applicable.
22.	Debt Warrants:	Not Applicable.
23.	Commodity Warrants:	Not Applicable.
24.	Inflation Index Warrants:	Not Applicable.
25.	Currency Warrants:	Not Applicable.
26.	Fund Warrants:	Not Applicable.
27.	Market Access Warrants:	Not Applicable.
28.	Credit Linked Warrants	Not Applicable.
29.	Additional Disruption Events:	(a) The following Additional Disruption Events apply to the Warrants: Change in Law (b) Cancellation on Occurrence of Additional Disruption Event: Not Applicable.

PROVISIONS RELATING TO EXERCISE, VALUATION AND SETTLEMENT

30. Units: Warrants must be exercised in Units. Each Unit consists of the number of Warrants set out in "**Summary of the features of the Warrant**" in Part C.
31. Minimum Exercise Number: One Unit.
32. Maximum Exercise Number: Not Applicable.
33. Exercise Price(s): The exercise price per Unit (which may be subject to adjustment in accordance with Annex 1) is set out in "**Summary of the features of the Warrant**" in Part C.
34. Exercise Date: The exercise date is 20 September 2008, provided that, if such date is not an Exercise Business Day, the Exercise Date shall be the immediately succeeding Exercise Business Day.
- Automatic Exercise applies on the Exercise Date.
- For the purposes of Borsa Italiana, the Exercise Date shall be the date on which the Warrants expire.
35. Exercise Period: Not Applicable.
36. Valuation Date: The Exercise Date.
37. Averaging: Averaging does not apply to the Warrants.
38. Observation Dates: Not Applicable.
39. Observation Period: Not Applicable.
40. Specified Maximum Days of Disruption: Eight (8) Scheduled Trading Days.
41. Cash Settlement Amount: A holder of a Unit of Warrants, upon due exercise, will receive from the Issuer on the Settlement Date, in respect of each Unit, a Cash Settlement Amount calculated by the Calculation Agent (which shall not be less than zero) equal to:
- for Call Warrants: MAX ((Settlement Price – Exercise Price);0) x Parity x Unit;***
- for Put Warrants: MAX ((Exercise Price – Settlement Price);0) x Parity x Unit;***
- where:**
- Settlement Price** is the price indicated in §19 (g);
- Exercise Price** is the price indicated in § 33.
- Parity** is the number indicated in "**Summary of the features of**

the Warrant" in Part C, which may be subject to adjustments; and

Unit is the number of Warrants indicated in § 30.

Pursuant the Rules of the markets organised and managed by Borsa Italiana S.p.A., each Holder may notify the Issuer that it renounces its right to payment of any such Cash Settlement Amount, by delivery to the Agent, as the case may be, not later than 10.00 a.m. (Milan Time) on the Exercise Date of a notice (the "**Renouncement Notice**", substantially in the form of Part B in these Final terms).

Copies of the Renouncement Notice may be obtained during normal business hours from the specified office of any Certificate Agent.

If no Renouncement Notice is received on the Exercise Date or such notice is received after 10.00 a.m. (Milan Time) on the Exercise Date, the Cash Settlement Amount shall be paid automatically by the Issuer on the Settlement Date.

No Renouncement Notice may be withdrawn after receipt thereof by the relevant Agent. After delivery of a Renouncement Notice, the relevant Holder may not transfer the Certificates which are the subject of such Renouncement Notice.

42. Settlement Date: The fifth Business Day after the Valuation Date (as per Conditions).

DISTRIBUTION AND US SALES ELIGIBILITY

43. Selling Restrictions: As described in the Base Prospectus, as amended.
- (a) Eligibility for sale of Warrants in the United States to AIs: The Warrants are not eligible for sale in the United States to AIs.
- (b) Eligibility for sale of Warrants in the United States to QIBs within the meaning of Rule 144a: The Warrants are not eligible for sale in the United States under Rule 144A to QIBs.
44. Additional U.S. federal income tax consequences: Not Applicable.
45. Registered broker/dealer: Not Applicable.
46. Syndication: Not Applicable.

Listing Application

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Warrants described.

Responsibility

The Issuer accepts responsibility for the information contained in these Final Terms. The information included in Part B (the **Index Information**) consists of extracts from or summaries of information that is publicly available in respect of the Index. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the Index Sponsor, no facts have been omitted which would render the reproduced inaccurate or misleading.

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

As Issuer:

By:.....

Duly authorised

PART B – OTHER INFORMATION

1. Listing and Admission to trading:

Application will be made to list the Warrants on the Italian Stock Exchange and to admit the Warrants described herein for trading on the electronic “Securitized Derivatives Market” (the “SeDeX”), organised and managed by Borsa Italiana S.p.A.

2. Ratings

The Warrants to be issued have not been rated.

The rating of the Guarantor is Aa1 from Moody’s and AA+ from Standard and Poor’s.

3. Risk Factors

As described in the Base Prospectus, as supplemented.

4. Notification

On 6 June 2007, the *Commission de Surveillance du Secteur Financier* has provided CONSOB with a copy of the Base Prospectus dated 30 May 2007 together with the Italian translation of the summary thereof, and a certificate of approval attesting that the said Base Prospectus has been drawn up in accordance with the Prospectus Directive. The *Commission de Surveillance du Secteur Financier* has also provided CONSOB with copies of the Supplements to the Base Prospectus and the relevant certificates of approval, respectively on 12 July 2007, 4 October 2007, 9 January 2008, 22 February 2008 and 7 March 2008.

5. Interests of Natural and Legal Persons Involved in the Offer

As described in section “*Risk Factors*” in the Base Prospectus, as supplemented.

6. Performance of Underlying/Formula/Other Variable, Explanation of Effect on Value of Investment and Associated Risks and Other Information concerning the Underlying

The Warrants are European Call and Put warrants. The formula for calculating the Cash Settlement Amount is described in § 41.

Prospective purchasers of the Warrants should recognise that their Warrants may expire worthless.

During the secondary market period, the price of the Warrants will depend upon market conditions and may be subject to significant fluctuations.

7. Operational Information

Relevant Clearing System: Monte Titoli.

8. Information concerning the Underlying

Name of the sponsor of the underlying Index:	Standard & Poor's, a division of The McGraw-Hill Companies, Inc.
ISIN Code of the Underlying Index:	As indicated in ' Summary of the features of the Warrant ' in Part C.
Adjustment rules with relation to events concerning the Underlying Index:	As detailed in Annex 1 (Additional Terms and Conditions for Index Warrants) contained in the Base Prospectus.
Source of information relating to the Underlying Index	Past and futures performances and volatility of the Share are also notably available on Bloomberg.
Place where information relating to the Underlying Index can be obtained	Information on the S&P/MIB Index is available on Reuter's page .SPMIB and on the web site www.standardandpoors.com .
Post-Issuance information:	The Issuer does not intend to provide any Post-Issuance information.

Index disclaimer

The Warrants are not sponsored, endorsed, sold or promoted by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. (**S&P**). Neither Standard & Poor's nor Borsa Italiana make any representation or warranty, express or implied, to the owners of the Warrants or any member of the public regarding the advisability of investing in securities generally or in the Warrants particularly or the ability of the Index to track general stock market performance. S&P and Borsa Italiana's only relationship to BNP Paribas is the licensing of certain trademarks and trade names of S&P and Borsa Italiana and of the S&P Indices, which indices are determined, composed and calculated by S&P without regard to BNP Paribas or the Warrants. S&P and Borsa Italiana have no obligation to take the needs of BNP Paribas or the owners of the Warrants into consideration in determining, composing or calculating the Index. S&P and Borsa Italiana are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Warrants to be issued or in the determination or calculation of the equation by which the Warrants are to be converted into cash. S&P and Borsa Italiana have no obligation or liability in connection with the administration, marketing or trading of the Warrants.

S&P and Borsa Italiana do not guarantee the accuracy and/or the completeness of the Index or any data included therein and S&P and Borsa Italiana shall have no liability for any errors, omissions, or interruptions therein. S&P and Borsa Italiana make no warranty, express or implied, as to results to be obtained by BNP Paribas, owners of the Warrants or any other person or entity from the use of the Index or any data included therein. S&P and Borsa Italiana make no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Index or any data included therein. Without limiting any of the foregoing, in no event shall S&P or Borsa Italiana have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

PART C

SUMMARY TABLE OF THE FEATURES OF THE WARRANTS

REFEREN CE	SERI ES	NO. WARRANT S	NO. WARRA NTS	ISIN	COMMON	TRADIN G	ISSUE PRICE	CALL /	EUROPEA N /	EXER CISE	PARITY	UNDER LYING	REUTER S CODE OF	BLOOM BERG CODE OF	SPONSOR OF THE	UND ERL YIN	COMP OSITE	EXCHA NGE	RELAT ED
CODE	NUM BER	ISSUED	PER UNIT	CODE	CODE	CODE	PER WARRA NTS	PUT	AMERICAN	PRIC E			UNDER LYING	UNDERL YING	UNDERLYING	CUR REN CY	INDEX		EXCHA NGE
WT0061UR	1	15,000,000	100	NL 0006090565	35444106	P90565	0.238	Call	European	31000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM
WT0062UR	2	15,000,000	100	NL 0006090573	35444114	P90573	0.179	Call	European	32000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM
WT0063UR	3	15,000,000	100	NL 0006090581	35444122	P90581	0.128	Call	European	33000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM
WT0064UR	4	15,000,000	100	NL 0006090599	35444149	P90599	0.088	Call	European	34000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM
WT0065UR	5	15,000,000	100	NL 0006090607	35444157	P90607	0.058	Call	European	35000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM
WT0066UR	6	15,000,000	100	NL 0006090615	35444165	P90615	0.036	Call	European	36000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM
WT0067UR	7	15,000,000	100	NL 0006090623	35444173	P90623	0.022	Call	European	37000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM
WT0068UR	8	15,000,000	100	NL 0006090631	35444181	P90631	0.129	Put	European	28000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM
WT0069UR	9	15,000,000	100	NL 0006090649	35444190	P90649	0.163	Put	European	29000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM
WT0070UR	10	15,000,000	100	NL 0006090656	35444203	P90656	0.204	Put	European	30000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM
WT0071UR	11	15,000,000	100	NL 0006090664	35444211	P90664	0.253	Put	European	31000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM
WT0072UR	12	15,000,000	100	NL 0006090672	35444220	P90672	0.311	Put	European	32000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM
WT0073UR	13	15,000,000	100	NL 0006090680	35444238	P90680	0.378	Put	European	33000	0.0001	SPMIB	.SPMIB	SPMIB	Standard & Poor's Corporation	Euro	No	Borsa Italiana	IDEM

RENOUNCEMENT NOTICE
(to be completed by the Holder of the Warrant)

BNP Paribas Arbitrage Issuance B.V.

Warrants on S&P/MIB Index Second Series 2008

ISIN: _____

(the **Warrants**)

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

Via ansperto, 5

20123 Milano

Italia

Fax No: (39) 0272474 444

We the undersigned Holder of the Warrants

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

Series No. of the Warrants:

Number of Warrants the subject of this notice:

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

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

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

Place and date:

Signature of the Holder

Name of beneficial owner of the Warrants

Signature

TERMS AND CONDITIONS OF THE WARRANTS

The Terms and Conditions of the Warrants set out on page 55 of the Base Prospectus shall be deleted in its entirety and replaced by the following:

The following is the text of the Terms and Conditions of the Warrants which will include the additional terms and conditions contained in Annex 1 in the case of Index Warrants, the additional terms and conditions contained in Annex 2 in the case of Share Warrants, the additional terms and conditions contained in Annex 3 in the case of GDR Warrants, the additional terms and conditions contained in Annex 4 in the case of Debt Warrants, the additional terms and conditions contained in Annex 5 in the case of Commodity Warrants, the additional terms and conditions contained in Annex 6 in the case of Inflation Index Warrants, the additional terms and conditions contained in Annex 7 in the case of Currency Warrants, the additional terms and conditions contained in Annex 8 in the case of Fund Warrants, the additional terms and conditions contained in Annex 9 in the case of Market Access Warrants 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 warrant linked to any other underlying reference (the Terms and Conditions or the Conditions) which, in the case of English Law Warrants (as defined in Condition 4 below), will be incorporated by reference into each Clearing System Global Warrant, Private Placement Definitive Warrant or Registered Global Warrant (each as defined below) or in the case of Dematerialised Italian Warrants (as defined below) will apply to such Warrants. The applicable Final Terms in relation to any issue of Warrants may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Warrants. In the case of English Law Warrants (other than VPC Warrants or Dematerialised Italian Warrants), the applicable Final Terms (or the relevant provisions thereof) will be attached to each Clearing System Global Warrant, Private Placement Definitive Warrant or Registered Global Warrant, as the case may be. In the case of VPC Warrants and Dematerialised Italian Warrants, the applicable Final Terms in respect of such Warrants will be available at the specified office of the relevant Issuer and at the office of the VPC Warrant Agent or Italian Warrant Agent, as applicable, in each case specified in the applicable Final Terms. The provisions in respect of Registered Warrants and U.S. Warrants (each as defined below) relate to English Law Warrants only.

The series of Warrants described in the applicable Final Terms (in so far as it relates to such series of Warrants) (such Warrants being hereinafter referred to as the **Warrants**) are issued by whichever of BNP Paribas Arbitrage Issuance B.V. (**BNPP B.V.**) or BNP Paribas (**BNPP**) is specified as the Issuer in the applicable Final Terms (the **Issuer**) and references to the Issuer shall be construed accordingly. Only BNPP may issue U.S. Warrants. The Warrants are issued pursuant to an Agency Agreement dated 30 May 2007 as supplemented by the First Supplemental Agency Agreement dated 3 October 2007, the Second Supplemental Agency Agreement dated 21 November 2007, the Third Supplemental Agency Agreement dated 2 January 2008 and the Fourth Supplemental Agency Agreement dated 8 January 2008 (as further 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 **Guarantor**), BNP Paribas Securities Services, Luxembourg Branch as agent (if specified in the applicable Final Terms as Agent in respect of the Warrants, the **Principal Warrant Agent**), BNP Paribas Arbitrage SNC as agent (if specified in the applicable Final Terms as Agent in respect of the Warrants, the **Principal Warrant Agent**), The Bank of New York as New York warrant agent (the **New York Warrant Agent**), The Bank of New York as definitive warrant agent (the **Definitive Warrant Agent**), BNP Paribas Securities Services Milan Branch as Italian Warrant Agent (the **Italian Warrant Agent**) (each, a **Warrant Agent** and collectively, the **Warrant Agents**), BNP Paribas Securities Services S.A., Frankfurt Branch and BNP PARIBAS Securities (Japan) Limited as registrar in respect of Registered Warrants (the **Registrar**) as supplemented in the case of VPC Warrants by an issuing and paying agency agreement dated 11 July 2007 (as amended and/or supplemented from time to time, the **VPC Agency Agreement**) between BNPP B.V. and Svenska Handelsbanken AB (publ) as VPC warrant agent (the **VPC Warrant Agent**). The expression **Warrant Agent** shall include in respect of VPC Warrants, the VPC Warrant Agent and shall include any additional or successor warrant

agent in respect of the Warrants. BNP Paribas or BNP Paribas Arbitrage SNC (as specified in the applicable Final Terms) shall undertake the duties of calculation agent (the **Calculation Agent**) in respect of the Warrants 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 Warrants, include such other specified calculation agent. The Agency Agreement will be governed by English Law in the case of English Law Warrants (the **English Law Agency Agreement**) and by French Law in the case of French Law Warrants (as defined in Condition 4 below) (the **French Law Agency Agreement**). The VPC Agency Agreement will be governed by Swedish Law.

English Law Warrants (as defined in Condition 4 below) other than VPC Warrants and Dematerialised Italian Warrants are constituted by a clearing system global warrant (the **Clearing System Global Warrant**) or a registered global warrant (the **Registered Global Warrant**) or 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 VPC 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**). VPC Warrants will not be issued in definitive form.

English law Warrants that are Dematerialised Italian 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. 213/1998, as amended and implemented and subsequent implementing provisions. Dematerialised Italian Warrants will not be issued in definitive form.

In the event that the applicable Final Terms specify that Warrants are eligible for sale in the United States (**US 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 (the **Private Placement Definitive Warrants**), and (c) in either such case, the Warrants sold outside the United States to non-U.S. persons under the exemption contained in 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 include, as the context so requires, a Rule 144A Global Warrant and a Regulation S Global Warrant. 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 the exemption contained in Regulation S will be represented by a Clearing System 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 (such Warrants being hereinafter referred to as **Clearing System Warrants**), the Clearing System Global Warrant will be deposited with a depository (the **Common Depository**) common to Clearstream Banking, société anonyme (**Clearstream, Luxembourg**) and Euroclear Bank S.A./N.V. (**Euroclear**) and/or any other relevant Clearing System (as defined below). Warrants represented by a Rule 144A Global Warrant will be either (a) deposited with a custodian (a **Custodian**) for, and registered in the name of a nominee of, The Depository Trust Company (**DTC**), or (b) issued and deposited with the Common Depository 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 Clearing System Global Warrant 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 of the 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 U.S. Securities Exchange Act of 1934, 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 Warrant Agent.

French Law Warrants (as defined in Condition 4 below) are issued in dematerialised form (*au porteur*) (such Warrants hereinafter also referred to as **Clearing System Warrants**). No physical document of title (including certificates représentatifs pursuant to Article R.211-7 of the French *Code Monétaire et Financier*) will be issued in respect of French Law Warrants.

The applicable Final Terms for the Warrants supplements these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, supplement, replace or modify these Terms and Conditions for the purposes of the Warrants.

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 warrants issued pursuant to Condition 13 and forming a single series with the Warrants) (which, for the avoidance of doubt, may be issued in respect of more than one series of Warrants) insofar as they relate to the Warrants.

Subject as provided in Condition 3 and in the Guarantees (as defined below), 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 (in such capacity, the **Guarantor**) pursuant to the Guarantee (as defined in Condition 4). 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, will be available for inspection at the specified office of the relevant Warrant Agent and the Registrar (in the case of Registered Warrants), copies of the Guarantees will be available for inspection at the specified office in Luxembourg of the relevant Warrant Agent and the Registrar and copies of the applicable Final Terms may be obtained from the specified office of the relevant Warrant Agent and the Registrar (in the case of Registered Warrants), save that if the Warrants are unlisted, the applicable Final Terms will only be obtainable by a Holder and such Holder must produce evidence satisfactory to the relevant Warrant Agent as to identity. Copies of the VPC Agency Agreement and the English Law Guarantee will be available for inspection at the office of the VPC Warrant 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 (as defined in Condition 1.2) 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 Warrants) and the applicable Final Terms, which are binding on them.

1. TYPE, TITLE AND TRANSFER

1.1 Type

The Warrants relate to a specified Index or basket of Indices (**Index Warrants**), a specified Share or basket of Shares (**Share Warrants**), a specified depositary receipt (a **GDR**) referencing a share (an **Underlying Share**) or basket of such GDRs (**GDR Warrants**), a specified debt instrument (**Debt Security**) or basket of Debt Securities (**Debt Warrants**), a specified currency (**Currency**) or basket of Currencies (**Currency Warrants**), a specified commodity (**Commodity**) or basket of Commodities (**Commodity Warrants**), a specified inflation Index or basket of inflation Indices (**Inflation Index Warrants**), a specified fund share or unit or basket of fund shares or Units (**Fund Warrants**), the credit of a specified reference entity or entities (**Credit Linked Warrants**) or any other or further type of warrants as is specified in the applicable Final Terms including Warrants which relate to any combination of such indices, shares, debt securities, currencies, fund shares or units, commodities and other asset classes or types (**Hybrid Warrants**). Warrants related to a specified currency or basket of currencies, a specified commodity or basket of commodities, a specified interest rate or basket of interest rates or a specified inflation index or basket of inflation indices, a specified fund share or unit or basket of fund shares or units, the credit of a specified reference entity or reference entities, or Hybrid Warrants related to any of these asset classes, may not at any time be offered, sold, resold, held, traded, pledged, exercised, settled, transferred or delivered, directly or indirectly, in the United States or to, by or for the account or benefit of, persons that are U.S. persons as defined in Regulation S under the Securities Act or that are not non-United States Persons as defined in Rule 4.7 under the United States Commodity Exchange Act, as amended.

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 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 4 below) applies. If the Warrants are VPC Warrants they will be European Style Warrants and Cash Settlement and Automatic Exercise will apply. If the Warrants are Dematerialised Italian Warrants they will be European Style Warrants or American Style Warrants and Cash Settlement and Automatic Exercise will apply.

References in these Terms and Conditions, unless the context otherwise requires, to Cash Settled Warrants shall be deemed to include references to (a) Physical Delivery Warrants, which include an option (as set out in the applicable Final Terms) at the Issuer's election to request cash settlement of

such Warrant pursuant to Condition 5.4(a) and where settlement is to be by way of cash payment, and (b) Physical Delivery Warrants where settlement is to be automatically varied to be by way of a cash payment pursuant to Condition 5.4(a). References in these Terms and Conditions, unless the context otherwise requires, to Physical Delivery Warrants shall be deemed to include references to Cash Settled Warrants 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 Warrant pursuant to Condition 5.4(a) and where settlement is to be by way of physical delivery. Unless otherwise specified in the applicable Final Terms, BNPP does not have the option to vary settlement in respect of the U.S. Warrants pursuant to Condition 5.4(a).

Warrants 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 Warrants where the Holder has elected for cash payment will be Cash Settled Warrants and those Warrants where the Holder has elected for physical delivery will be Physical Delivery Warrants. 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 Condition 5.5.

1.2 Title to Warrants

In the case of Warrants represented by a Clearing System Global Warrant held by a Common Depository on behalf of a relevant Clearing System and French Law Warrants, each person who is for the time being shown in the records of the relevant Clearing System (in the case of English Law Warrants) or whose name appears in the account of the relevant Account Holder (in the case of French Law Warrants) as the holder of a particular amount of such Warrants (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 Warrants 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 relevant Warrant Agent as the Holder of such amount of Warrants for all purposes (and the expressions **Holder** and **Holder of Warrants** and related expressions shall be construed accordingly).

In the case of VPC Warrants, the person for the time being shown in the VPC Register as the holder of a particular amount of Warrants shall (except as otherwise required by law) be treated for all purposes by the Issuer, the Guarantor, the Warrant Agents, VPC 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 Warrants** and related expressions shall be construed accordingly). The Issuer shall cause such Warrants to be accepted by VPC for clearing and registration in the VPC System in accordance with the SFIA Act and the VPC Rules. The Issuer shall have the right to obtain extracts from the debt register of VPC.

In the case of Dematerialised Italian Warrants, the person who is for the time being shown in the records of Monte Titoli as the holder of a particular amount of Warrants (in which regard any record held by Monte Titoli as to the amount of Warrants 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 for all purposes by the Issuer, the Guarantor, the Italian Warrant 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 Warrants** and related expressions shall be construed accordingly). The Issuer shall cause Dematerialised Italian Warrants to be dematerialised and centralised with Monte Titoli, pursuant to Italian legislative decree no. 213/1998 as amended and integrated by subsequent implementing provisions.

Title to French Law Warrants will be evidenced in accordance with Article L.211-4 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 Warrants. The Warrants will, upon issue, be inscribed in the books of Euroclear France which will credit the accounts of the relevant Account Holders.

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, and includes the depositary bank for Clearstream Luxembourg and Euroclear and any other relevant Clearing System.

In the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, the Rule 144A Global Warrant 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 Warrant may be registered. Transfers of such Rule 144A Global Warrant by such nominee of DTC shall be limited to transfers of such Rule 144A Global Warrant, 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 Warrant are only enforceable by the Holders (as defined below) as provided therein. Subject as set forth in Condition 1.4 below, each person who is for the time being shown in the records of DTC as the Holder of a particular number of Warrants shall (except as otherwise required by law) be treated by the Issuer and the New York Warrant Agent as the Holder of such amount of Warrants for all purposes (and the expressions **Holder of Warrants** and related expressions shall be construed accordingly).

In the case of Private Placement Definitive Warrants, BNPP shall cause to be kept at the principal office of the Definitive Warrant Agent, a register (the **Private Placement Register**) on which shall be entered the names and addresses of all holders of Private Placement Definitive Warrants, the amount and type of Private Placement Definitive Warrants held by them and details of all transfers of Private Placement Definitive Warrants. Subject as set forth in Condition 1.4 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 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.

1.3 Title to Registered Warrants

In the case 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 Warrants, the amount 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 Warrants (each a **Holder**) shall (except as otherwise required by law) be treated as the absolute owner of such amount of 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.

1.4 Transfers of Interests in Clearing System Warrants and Private Placement Definitive Warrants

Transfers of Warrants may not be effected after the exercise of such Warrants pursuant to Condition 6.

Subject as set forth in this Condition, all transactions (including permitted transfers of Warrants) in the open market or otherwise must be effected, in the case of Warrants represented by a Clearing System Global Warrant held by a Common Depository on behalf of Clearstream, Luxembourg or

Euroclear and/or any other relevant Clearing System through an account at Euroclear or Clearstream, as the case may be, and/or any other relevant Clearing System or in the case of Warrants represented by a Rule 144A Global Warrant 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 Warrants 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.

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

- (a) Transfers of Warrants to a person who takes delivery in the form of Warrants represented by a Rule 144A Global Warrant or Regulation S Global Warrant 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 Warrants represented by a Regulation S Global Warrant, from a Holder of Warrants represented by a Regulation S Global Warrant, to a non-U.S. person in an offshore transaction pursuant to Regulation S;
 - (B) in the case of transfers to a person who takes delivery in the form of Warrants represented by a Rule 144A Global Warrant, from a Holder of Warrants represented by a Regulation S Global Warrant, within the Distribution Compliance Period (as defined below) only, upon certification (in the form from time to time available from any Warrant Agent) to the New York Warrant Agent by the transferor thereof that such transfer is being made to a person who is a QIB acquiring such Warrants in a transaction meeting the requirements of Rule 144A and, after the expiration of the Distribution Compliance Period, in a transaction meeting the requirements of Rule 144A but without such certification;
 - (C) in the case of transfers to a person who takes delivery in the form of Warrants represented by a Regulation S Global Warrant, from a Holder of Private Placement Definitive Warrants, upon certification (in the form from time to time available from any Warrant Agent) to the Principal Warrant 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 Warrants represented by a Rule 144A Global Warrant, from a Holder of Private Placement Definitive Warrants, upon certification (in the form from time to time available from any Warrant Agent) to the New York Warrant Agent by the transferor thereof that such transfer is being made to a person who is a QIB acquiring such Warrants 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 Warrants represented by a Rule 144A Global Warrant, from a Holder of Warrants represented by a Rule 144A Global Warrant, in a transaction meeting the requirements of Rule 144A;

- (F) in the case of transfers to a person who takes delivery in the form of Warrants represented by a Regulation S Global Warrant, from a Holder of Warrants represented by a Rule 144A Global Warrant, upon certification (in the form from time to time available from any Warrant Agent) to the Principal Warrant 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 Warrant Agent, the New York Warrant Agent, the Definitive Warrant 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 Warrants, a free of payment instruction to the Definitive Warrant 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 Warrants represented by a Regulation S Global Warrant or a Rule 144A Global Warrant 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 Warrants represented by a Rule 144A Global Warrant 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) (x) in the case of transfers of Warrants represented by a Clearing System Global Warrant, the relevant Clearing System will debit the account of its participant and (y) in the case of transfers of Private Placement Definitive Warrants, the Holder must deliver the Private Placement Definitive Warrants the subject of the transfer to the Definitive Warrant Agent and instruct the Definitive Warrant Agent to cancel the transferred Private Placement Definitive Warrants; and
 - (B) the relevant Clearing System or the Holder, as the case may be, will instruct (x) in the case of transfers to a person who takes delivery in the form of Warrants represented by a Regulation S Global Warrant or a Rule 144A Global Warrant held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, the Principal Warrant 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 (y) in the case of transfers to a person who takes delivery in the form of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, (1) the New York Warrant Agent (in the case of transfers of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC) to credit the relevant account of the DTC participant, (2) the Definitive Warrant Agent (in the case of transfers of Private Placement Definitive Warrants) to credit the relevant account of the DTC participant, or (3) the Principal Warrant Agent (in the case of transfers of Warrants represented by a Regulation S Global Warrant or Rule 144A Global Warrant held by a Common Depository 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 transfer, on the transfer date:
 - (A) the Principal Warrant Agent, in the case of transfers to and/or from a person who takes delivery in the form of Warrants represented by a Regulation S Global Warrant or Rule 144A Global Warrant held by a Common Depository on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, will increase or decrease, if appropriate, the number of Warrants represented by such Regulation S Global Warrant or Rule 144A Global Warrant, whereupon the number of Warrants represented by such Regulation S Global Warrant or Rule 144A Global Warrant shall be increased or decreased, if appropriate, for all purposes by the number so transferred and endorsed; or
 - (B) the New York Warrant Agent, in the case of transfers to and/or from a person who takes delivery in the form of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, will increase or decrease, if appropriate, the number of Warrants represented by such Rule 144A Global Warrant, whereupon the number of Warrants represented by such Rule 144A Global Warrant shall be increased or decreased, if appropriate, for all purposes by the number so transferred and endorsed.
- (b) Transfers of Warrants to a person who takes delivery in the form of Private Placement Definitive Warrants may be made only in accordance with the following provisions:
 - (i) (A) in the case of transfers from a Holder of Private Placement Definitive Warrants, upon (x) delivery of a duly executed investor representation letter from the relevant transferee in accordance with paragraph (c) below and (y) certification (in the form from time to time available from any Warrant Agent) to the Definitive Warrant Agent by the transferor thereof that such transfer is being made to a person whom the transferor reasonably believes is an AI acquiring such Warrants in a transaction exempt from the registration requirements of the Securities Act;
 - (B) in the case of transfers from a Holder of Warrants represented by a Rule 144A Global Warrant, upon (x) delivery of a duly executed investor representation letter from the relevant transferee in accordance with paragraph (c) below and (y) certification (in the form from time to time

available from any Warrant Agent) to the Definitive Warrant Agent by the transferor thereof that such transfer is being made to a person whom the transferor reasonably believes is an AI who is acquiring such Warrants in a transaction exempt from the registration requirements of the Securities Act;

- (C) in the case of transfers from a Holder of Warrants represented by a Regulation S Global Warrant, upon (x) delivery of a duly executed investor representation letter from the relevant transferee in accordance with paragraph (c) below and (y) within the Distribution Compliance Period only, certification (in the form from time to time available from any Warrant Agent) to the Definitive Warrant Agent by the transferor thereof that such transfer is being made to a person whom the transferor reasonably believes is an AI acquiring such Warrants in a transaction exempt from the registration requirements of the Securities Act; 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 Warrant Agent, the Definitive Warrant 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 Warrants, a free of payment instruction to the Definitive Warrant 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 Warrants represented by a Regulation S Global Warrant or a Rule 144A Global Warrant 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, 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 Warrants represented by a Rule 144A Global Warrant 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 Warrants represented by a Clearing System Global Warrant, the relevant Clearing System will debit the account of its participant and, in the case of transfers of Private Placement Definitive Warrants, the Holder must deliver the Private Placement Definitive Warrants the subject of the transfer to the Definitive Warrant Agent and instruct the Definitive Warrant Agent to cancel the transferred Private Placement Definitive Warrants; and

- (B) the relevant Clearing System or the Holder, as the case may be, will instruct the Definitive Warrant Agent to deliver or procure the delivery of new Private Placement Definitive Warrants, of a like number to the number of Warrants transferred, to the transferee at its specified office or send such new Private Placement Definitive Warrants, 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 Warrant Agent will, in the case of transfers of Warrants represented by a Regulation S Global Warrant or a Rule 144A Global Warrant held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, decrease the number of Warrants represented by such Regulation S Global Warrant or Rule 144A Global Warrant, if appropriate, whereupon the number of Warrants represented by such Regulation S Global Warrant or Rule 144A Global Warrant shall, if appropriate, be reduced for all purposes by the number so transferred or exchanged and endorsed; or
 - (B) the New York Warrant Agent will, in the case of transfers of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, decrease the number of Warrants represented by such Rule 144A Global Warrant, if appropriate, whereupon the number of Warrants represented by such Rule 144A Global Warrant shall, if appropriate, be decreased for all purposes by the number so transferred and endorsed.
- (c) In the case of transfers of Warrants to a person who takes delivery in the form of a Private Placement Definitive Warrant, 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 Warrant Agent is a condition precedent to the transfer of such Private Placement Definitive Warrant 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 Warrant 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 BNPP.

If (i) the Principal Warrant Agent (in relation to Regulation S Global Warrants and Rule 144A Global Warrants held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System) or (ii) the New York Warrant Agent (in relation to Rule 144A Global Warrants held by a Custodian on behalf of DTC) or (iii) the Definitive Warrant Agent (in relation to Private Placement Definitive Warrants) subsequently determines or is subsequently notified by BNPP that (A) a transfer or attempted or purported transfer of any interest in a Private Placement Definitive Warrant 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 Warrant 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 Warrants, any such representation or agreement set forth in the relevant Investor Representation Letter) or (C) a transfer or attempted transfer of any interest in any Warrant was consummated that did not comply with the transfer restrictions set forth in this Condition 1.4, 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.

1.5 Transfers of Registered Warrants

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 13 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 recognized.

1.6 Transfers of VPC Warrants

Title to VPC Warrants will pass upon entry in the VPC Register (or, if applicable, notice to a nominee under the terms of the SFIA Act) in accordance with the SFIA Act.

1.7 Transfers of Dematerialised Italian Warrants

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

2. STATUS OF THE WARRANTS AND GUARANTEE

The Warrants are unsubordinated and unsecured obligations of the relevant Issuer and rank *pari passu* among themselves.

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.

3. GUARANTEE

Where the Issuer is BNPP B.V., subject as provided below and in the relevant Guarantee, BNPP has unconditionally and irrevocably (a) guaranteed to each Holder all obligations of the Issuer in respect of such Holder's Warrants 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 Warrants as and when such obligations become due, BNPP will not later than five Paris Business Days (as defined in the relevant Guarantee) after a demand has been made on BNPP 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 BNPP were the principal obligor in respect of such obligations provided that (i) 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 Warrants in accordance with Condition 5.4 and exercised such right or failed to exercise such right, BNPP 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 Warrants, but in lieu thereof, to make payment in respect of each such Physical Delivery Warrant of an amount determined by BNPP in its sole and absolute discretion equal to the Cash Settlement Amount that would have been payable upon exercise of such Warrants assuming they were Cash Settled Warrants 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 Warrant less the costs of unwinding any underlying related hedging arrangements (the **Guaranteed Cash Settlement Amount**) and (ii) in the case of Warrants where the obligations of the Issuer which fail to be satisfied constitute the delivery of the Entitlement to the Holders, the BNPP B.V. Guarantor will as soon as practicable following the failure by the Issuer to satisfy its obligations under such Warrants 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 BNPP, delivery of the Entitlement using such method is not practicable by reason of (x) a Settlement Disruption Event (as defined in Condition 5.3(b)) or (y) 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 16(a)), in lieu of such delivery BNPP will make payment in respect of each such Warrant of, in the case of (x) above, the Guaranteed Cash Settlement Amount or, in the case of (y) above, the Failure to Deliver Settlement Price (as defined in Condition 16(c)). Any payment of the Guaranteed Cash Settlement Amount or the Failure to Deliver Settlement Price, as the case may be, in respect of a Warrant shall constitute a complete discharge of BNPP's obligations in respect of such Warrant. 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 11.

4. DEFINITIONS

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

Actual Exercise Date means the Exercise Date (in the case of European Style Warrants) or, subject to Condition 1, 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 1);

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;

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

- (a) in the case of Index Warrants, Share Warrants, Debt Warrants or Currency Warrants, 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 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 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 Warrants relating to a single Index or Share Warrants relating to a single Share, 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 or price for that Averaging Date in accordance with subparagraph (a)0 of the definition of **Valuation Date** below;
 - (B) where the Warrants are Index Warrants relating to a basket of Indices or Share Warrants relating to a basket of Shares, the Averaging Date for each Index or, Share or Commodity 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 or, Share affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Index or Share. If the first succeeding Valid Date in relation to such Index or Share 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 Scheduled Trading Day is already an Averaging Date) in respect of such Index or Share, and (II) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with subparagraph (ii)0 below of the definition of **Valuation Date** below; and
 - (C) where the Warrants are Debt Warrants or Currency Warrants, provisions for determining the Averaging Date in the event of Modified Postponement applying will be set out in the applicable Final Terms; or
- (b) in the case of Commodity Warrants, each date specified as such in the applicable Final Terms;

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 (TARGET) System is open and (a) where the Warrants are Clearing System Warrants or Dematerialised Italian Warrants, a day on which the relevant Clearing System is open for business, (b) where the Warrants are Private Placement Definitive 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 New York, (c) where the Warrants 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, or (d) where the Warrants are VPC 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 Stockholm.

Cash Settlement Amount means, in relation to Cash Settled Warrants, the amount 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, as determined by the Calculation Agent pursuant to Condition 5.2;

Chinese QFII means an entity outside the People's Republic of China which meets the requirements of the Measures and is approved by the China Securities Regulatory Commission to invest in Chinese securities markets and has obtained the quota from the State Administration of Foreign Exchange (**Qualified Foreign Institutional Investors**) where **Measures** means the Measures on the Administration of Qualified Foreign Institutional Investors Investing in Domestic Securities;

Clearing System means Clearstream, Luxembourg and/or Euroclear and/or Euroclear France 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 Warrant Agent(s) from time to time and specified in the applicable Final Terms;

Dematerialised Italian Warrants means Warrants issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli pursuant to Italian legislative decree no. 213/1998 as amended and integrated by subsequent implementing provisions;

Distribution Compliance Period means the period expiring 40 days after completion of the distribution of the relevant Warrants 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 Warrants;

English Law Guarantee means a deed of guarantee dated on or before the Issue Date, executed by BNPP in respect of English Law Warrants issued by BNPP B.V.;

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 12) rounded down as provided in Condition 5.3(a), as determined by the Calculation Agent including any documents evidencing such Entitlement;

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;

French Law Guarantee means the *garantie* dated on or about the Issue Date, executed by BNPP in respect of French Law Warrants issued by BNPP B.V.;

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

Guarantee means the English Law Guarantee (in respect of English Law Warrants) or the French Law Guarantee, as the case may be;

Iberclear means "La Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal";

Indian FII means an entity incorporated outside India with either foreign institutional investor (**FII**) status in India or a register FII sub-account in India;

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;

Korean Investor ID Holder means an entity incorporated outside the Republic of Korea that is holding an investment identity card issued by the Financial Supervisory Service of the Republic of Korea;

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

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, 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 the provisions contained in the definition of **Averaging Date** shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date";

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

Qualified Investor means, where the Relevant Jurisdiction is Korea, Taiwan, India, People's Republic of China or Socialist Republic of Vietnam, a Korean Investor ID Holder, a Taiwan FINI, an Indian FII, a Chinese QFII and a Vietnamese QI, respectively;

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

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;

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;

Settlement Date means:

(a) in relation to Cash Settled Warrants:

(x) (other than in respect of Inflation Index Warrants) in relation to each Actual Exercise Date, (A) where Averaging is not specified in the applicable Final Terms, the fifth Business Day following the Valuation Date provided that if the Warrants are Index Warrants relating to a basket of Indices, Share Warrants relating to a basket of Shares, Debt Warrants relating to a basket of Debt Securities or Commodity Warrants relating to a basket of Commodities and the occurrence of a Disrupted Day has resulted in a Valuation Date for one or more Indices, Shares, Debt Securities or Commodities, 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, Debt Security or Commodity, 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 Warrants relating to a basket of Indices, Share Warrants relating to a basket of Shares, Debt Warrants relating to a basket of Debt Securities or Commodity Warrants relating to a basket of Commodities and the occurrence of a Disrupted Day has resulted in an Averaging Date for one or more Indices, Shares, Debt Securities or Commodities or Inflation Indices, 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, Debt Security or Commodity, as the case may be, or such other date as is specified in the applicable Final Terms; or (y) in respect of Inflation Index Warrants, 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;

Specified Maximum Days of Disruption means (other than with respect to Commodity Warrants) eight (8) Scheduled Trading Days or such other number of Scheduled Trading Days specified in the applicable Final Terms;

Taiwan FINI means an entity incorporated outside Taiwan with Foreign Institutional Investor (FINI) status in Taiwan or with FINI sub-account status in Taiwan;

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 Warrants, Share Warrants or Debt Warrants, unless otherwise specified in the applicable Final Terms, the first Scheduled Trading Day following the Actual Exercise Date of the relevant Warrant 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 Warrants are Index Warrants relating to a single Index, Share Warrants relating to a single Share or Debt Warrants relating to a single Debt Security, 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 Settlement Price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the Settlement Price:

- (x) in the case of Index Warrants, 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
 - (y) in the case of Share Warrants or Debt Warrants, in accordance with its good faith estimate of the Settlement Price as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
- (ii) where the Warrants are Index Warrants relating to a basket of Indices, Share Warrants relating to a basket of Shares or Debt Warrants relating to a basket of Debt Securities, the Valuation Date for each Index, Share or Debt Security, 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 or Debt Security 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 Settlement Price using, in relation to the Affected Item, the level or value as applicable, determined in the manner set out in the applicable Final Terms which, in the case of a Share or Debt Security, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using:
- (x) 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

- (y) in the case of a Share or Debt Security, its good faith estimate of the value for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day;
- (b) in the case of Commodity Warrants, the date specified in the applicable Final Terms, and otherwise in accordance with the above provisions; or

Valuation Time means:

- (a) the Relevant Time specified in the applicable Final Terms;
- (b) in the case of Index Warrants 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, the Scheduled Closing Time on the Exchange in respect of such Component; 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) in the case of Index Warrants relating to Indices other than Composite Indices or Share Warrants, unless otherwise specified in the applicable Final Terms, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Index or Share 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;

Vietnamese QI means a corporation that both (a) is incorporated outside the Socialist Republic of Vietnam and (b) does not have any permanent establishment in the Socialist Republic of Vietnam;

VPC means VPC AB (the Swedish Central Securities Depository authorised as such under the SFIA Act);

VPC Register means the register opened in the VPC System for VPC Warrants issued or to be issued by the Issuer;

VPC System means the technical system at VPC for the registration of securities and the clearing and settlement of securities transactions; and

VPC Warrants means Warrants in registered, uncertificated and dematerialised book-entry form in accordance with the SFIA Act accepted by VPC for clearing and registration in the VPC System.

5. EXERCISE RIGHTS

5.1 Exercise Period

(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 French Law 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 6, 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 6.9 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 (in the case of English Law Warrants) or to the relevant Account Holder (in the case of French Law Warrants), and the copy thereof is received by the Principal Warrant 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 Warrant 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 6 at or prior to 10.00 a.m. (Local Time) on the Expiration Date shall (i) (x) if the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (y) if the Warrants are Physical Delivery Warrants, become void or (ii) 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 6, 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 6, 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 6.9 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 Warrant Agent with a copy thereof received by the Principal Warrant 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 Warrant Agent, or if the copy thereof is received by the Principal Warrant 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 6, 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 (i) (x) if the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (y) the Warrants are Physical Delivery Warrants, become void or (ii) 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 (a) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (b) 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 6, 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 6, 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 6.9 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 Warrant 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 Warrant 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 6, at or prior to 10.00 a.m., Tokyo time, on the Expiration Date shall (i) if (x) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (y) the Warrants are Physical Delivery Warrants, become void or (ii) 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 (a) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (b) 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 6, 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 6, 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 6.9 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 Warrant Agent with a copy thereof received by the Principal Warrant 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 Warrant Agent, or if the copy thereof is received by the Principal Warrant 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 6, 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 (i) if (x) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (y) the Warrants are Physical Delivery Warrants, become void or (ii) 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.

Dematerialised Italian Warrants

If the Warrants are Dematerialised Italian Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 6, at or prior to 10:00am, 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 Warrant Agent, and the copy thereof is received by the Issuer 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 Warrant Agent, or if the copy thereof is received by the Issuer, 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 Warrant Agent, and the copy thereof is received by the Issuer, 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 Dematerialised Warrants and Italian Listed Warrants and such Warrants are automatically exercised on the Expiration Date, prior to 10:00 a.m. (Milan time) 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 Warrant Agent, with a copy thereof to the Issuer . 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 Warrant 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 Warrant Agent, it shall be deemed to be a new Renouncement Notice submitted at the time such correction was delivered to the Italian Warrant 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 French Law Warrants:

If (a) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (b) 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 6, 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 6.9 shall apply.

The following provisions apply to Rule 144A Global Warrants held by a Custodian on behalf of DTC:

If (a) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (b) 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 6, 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 6, 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 6.9 shall apply.

Registered Warrants

If (a) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (b) 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 6, 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 6, 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 6.9 shall apply.

Private Placement Definitive Warrants

If (a) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (b) 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 6, 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 6, 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 6.9 shall apply.

VPC Warrants

If the Warrants are VPC Warrants the Warrants will be automatically exercised on the Exercise Date.

Dematerialised Italian Warrants

If the Warrants are Dematerialised Italian Warrants, the Warrants will be automatically exercised on the Exercise Date, subject as provided in the following paragraph.

If the Warrants are Dematerialised Italian Warrants and Italian Listed Warrants, prior to 10.00 a.m. (Milan time) 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 Renunciation Notice (a **Renunciation Notice**) in, or substantially in, the form set out in the applicable Final Terms to the Italian Warrant Agent, with a copy thereof to the Issuer. Once delivered a Renunciation Notice shall be irrevocable. Any determination as to whether a Renunciation Notice is duly completed and in proper form shall be made by the Italian Warrant 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 Renunciation Notice so determined to be incomplete or not in proper form shall be null and void. If such Renunciation Notice is subsequently corrected to the satisfaction of the Italian Warrant Agent, it shall be deemed to be a new Renunciation Notice submitted at the time such correction was delivered to the Italian Warrant Agent.

5.2 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 BNPP shall require or as shall be set out in the applicable Final Terms, to receive from the Issuer on the Settlement Date a Cash Settlement Amount calculated by the Calculation Agent (which shall not be less than zero) equal unless otherwise specified in the applicable Final Terms to:

- (a) where Averaging is not specified in the applicable Final Terms:
 - (i) if such Warrants are Call Warrants,
(Settlement Price less Exercise Price) multiplied by, in the case of Debt Warrants only, the nominal amount;
 - (ii) if such Warrants are Put Warrants,
(Exercise Price less Settlement Price) multiplied by, in the case of Debt Warrants only, the nominal amount; and
 - (iii) if such Warrants are not Call Warrants or Put Warrants, settlement will be as specified in the applicable Final Terms;
- (b) where Averaging is specified in the applicable Final Terms:
 - (i) if such Warrants are Call Warrants,
(the arithmetic mean of the Settlement Prices for all the Averaging Dates less Exercise Price) multiplied by, in the case of Debt Warrants only, the nominal amount;
 - (ii) if such Warrants are Put Warrants,
(Exercise Price less the arithmetic mean of the Settlement Prices for all the Averaging Dates) multiplied by, in the case of Debt Warrants only, the nominal amount; and
 - (iii) if such Warrants are not Call Warrants nor Put Warrants, settlement will be as specified in the applicable Final Terms.

Any amount determined pursuant to the above, if not an amount in the Settlement Currency, 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. The Cash Settlement Amount will be rounded to the nearest two decimal places in the relevant Settlement Currency, 0.005 being rounded upwards, with Warrants exercised at the same time by the same Holder being aggregated for the purpose of determining the aggregate Cash Settlement Amounts payable in respect of such Warrants or Units, as the case may be. In such cases, the formula for determining the Cash Settlement Amount may include a deduction for sales tax in the manner specified in the applicable Final Terms.

5.3 Physical Settlement

(a) Exercise Rights in relation to Physical Delivery Warrants

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 BNPP shall require or as shall be set out in the applicable Final Terms, 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.

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. Therefore, fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, will not be delivered and no cash adjustment will be made in respect thereof.

Following exercise of a Share Warrant 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 6.

(b) Settlement Disruption

If, following the exercise of Physical Delivery Warrants, 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, then such Settlement Date for such Warrants 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 Warrant or 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 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 for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Settlement Date. 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. Warrants (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 Warrant or 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 11. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Holders in accordance with Condition 11. The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 11 that a Settlement Disruption Event has occurred. No Holder shall be entitled to any payment in respect of the relevant Warrant or 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 in respect of any relevant Warrant or Unit, as the case may be, shall be the fair market value of such Warrant or Unit, as the case may be (taking into account, 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 Relevant Assets), less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (unless otherwise provided in the applicable Final Terms), all as determined by the Issuer in its sole and absolute discretion, plus, 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 in respect of each Warrant, has the meaning specified in the applicable Final Terms relating to such Warrant; and

Settlement Disruption Event means, in the opinion of the Calculation Agent or, if the proviso to Condition 3 applies, BNPP, an event beyond the control of the Issuer or, if the proviso to Condition 3 applies, BNPP as a result of which the Issuer or BNPP, as the case may be, cannot make delivery of the Relevant Asset(s) using the method specified in the applicable Final Terms.

(c) **Failure to Deliver due to Illiquidity**

"Failure to Deliver due to Illiquidity" if specified as applying in the applicable Final Terms, will be an Additional Disruption Event, as described in Condition 16(a) below.

5.4 Variation of Settlement

- (a) If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Warrants (which, unless otherwise specified, will not apply to U.S. Warrants), upon a valid exercise of Warrants in accordance with these Terms and Conditions, the Issuer may at its sole and unfettered discretion in respect of each such Warrant or, if Units are specified in the applicable Final Terms, each 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 to the relevant Holders, as the case may be. Notification of such election will be given to Holders in accordance with Condition 11.
- (b) If specified in the applicable Final Terms, following a valid exercise of Warrants in accordance with these Conditions, the Issuer shall, in respect of each such Warrant or, if Units are specified in the applicable Final Terms, 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 to the relevant Holders.

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

Following a valid exercise of Warrants in accordance with these Conditions, the Issuer may, in its sole and absolute discretion in respect of such Warrants, if the Calculation Agent determines (in its sole and absolute discretion) that the Relevant Asset or Relevant Assets, as the case may be, comprises shares 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 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 11.

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

5.6 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.

None of the Issuers, the Guarantor, the Calculation Agent and any Warrant 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 Warrants does not confer on any Holder of such Warrants any rights (whether in respect of voting, distributions or otherwise) attaching to any Relevant Asset.

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.

6. EXERCISE PROCEDURE

6.1 Exercise Notice in respect of Clearing System Warrants

Subject as provided in Condition 6.9, 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, 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) or the relevant Account Holder (in the case of French Law Warrants) and the relevant Warrant 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 Warrant Agent in accordance with the provisions set out in Condition 5 and this Condition.

Subject as provided in Condition 6.9, 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 Warrant Agents) to the New York Warrant Agent with a copy to the Principal Warrant Agent, in accordance with the provisions set out in Condition 5 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) or the relevant Account Holder (in the case of French Law 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 Warrant Agent to exercise the Warrants debited to the account of the Holder and credited to the account of the New York Warrant 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 Exercise 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 (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 Warrant Agent to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and to pay such Exercise Expenses and/or to debit a specified account of the Holder in respect thereof and to pay such Exercise 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 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 BNPP or indicated and set out in the applicable Final Terms; 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 Warrant 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 Warrant 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 Warrant Agent on the Actual Exercise Date;
 - (v) include an undertaking to pay all Exercise Expenses and (A) in the case of Warrants represented by a Clearing System Global Warrant held by a Common Depository on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System or a French Law Warrant, an authority to the relevant Clearing System to debit a specified account of the Holder at the relevant Clearing System in respect thereof and to pay such Exercise 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 Warrant Agent to debit a specified account of the Holder in respect thereof and to pay such Exercise 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 Warrants 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 Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the designated account at DTC to be 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 5.4(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 Warrant Agents during normal office hours.

If Condition 5.4(b) applies, unless the applicable Final Terms specifies otherwise, Holders will be required to deliver an Exercise Notice specifying appropriate information relating to the settlement of Cash Settled Warrants.

6.2 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 Warrant Agents during normal office hours) to the Definitive Warrant Agent with a copy to the Principal Warrant Agent in accordance with the provisions set out in Condition 5 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 Warrant 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 Exercise Expenses and an authority to the Definitive Warrant 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 BNPP or indicated and set out in the applicable Final Terms; 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 Warrant Agent on the Actual Exercise Date;
- (iv) include an undertaking to pay all Exercise Expenses and an authority to the Definitive Warrant 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 Warrants 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 BNPP or indicated and set out in the applicable Final Terms; 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 5.4(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 Warrant Agent.

6.3 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 Warrant Agent in accordance with the provisions set out in Condition 5 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 (**Exercise 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 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 Exercise 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 Warrants 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 5.4(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.

6.4 Exercise Notice in respect of Dematerialised Italian Warrants

Warrants which are Dematerialised Italian Warrants, may be exercised by the delivery or the sending by fax of a duly completed Exercise Notice to the Italian Warrant Agent, with a copy to the Issuer, in accordance with the provisions set out in Condition 5 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 Exercise Expenses, and an authority to the Italian Warrant 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 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 BNPP or indicated and set out in the applicable Final Terms.

Once delivered an Exercise Notice shall be irrevocable.

6.5 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 Warrant 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 Warrant 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 Clearing System Global Warrant, the Common Depository will, on the instructions of, and on behalf of the Principal Warrant 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 Warrant Agent shall verify that the person exercising the Warrants is the Holder according to the records of DTC. Subject thereto, the New York Warrant 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 Warrant 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 Warrant Agent shall verify that the person exercising the Warrants is the Holder according to the Private Placement Register. Subject thereto, the Definitive Warrant 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 Warrant 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 \$250,000, and the remaining unexercised portion thereof must be at least \$250,000.

In the case of Dematerialised Italian Warrants, upon receipt of an Exercise Notice, the Italian Warrant 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 Warrant 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 Warrant 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.

6.6 Settlement

(a) Cash Settled Warrants

If the Warrants are Cash Settled Warrants other than VPC Warrants or Dematerialised Italian 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 Exercise Expenses.

If the Warrants are VPC Warrants, payment of the Cash Settlement Amount (if any) will be made to the persons registered as Holders in the register maintained by VPC on the fifth Business Day immediately prior to the Settlement Date (the **Record Date**). The VPC Warrant Agent will pay the Cash Settlement Amount through VPC to each Holder appearing in the VPC Register on the Record Date on the Settlement Date.

If the Warrants are Dematerialised Italian 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 Exercise 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 Exercise 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 5.3, the Entitlement shall be delivered and evidenced in such manner as set out in the applicable Final Terms.

6.7 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) or the relevant Account Holder (in the case of French Law 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 Warrant Agent, (c) in the case of Private Placement Definitive Warrants, the Definitive Warrant Agent or (d) in the case of Registered Warrants, the Registrar (in each case, in consultation with the Principal Warrant Agent) or (e) in the case of Dematerialised Italian Warrants, the Italian Warrant Agent (in consultation with Monte Titoli) and shall be conclusive and binding on the Issuer, the Guarantor, if any, the Warrant 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 Warrant Agent or the Issuer, as the case may be, immediately after being delivered or sent to the relevant Clearing System, the New York Warrant Agent, the Definitive Warrant Agent or the Italian Warrant Agent, as the case may be, or, as the case may be, the relevant Account Holder as provided in Condition 6.1 above or the Registrar as provided in Condition 6.3 above, as the case may be, shall be null and void. In the case of Dematerialised Italian Warrants, the Italian Warrant 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 Warrant 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 Warrant Agent, the Definitive Warrant Agent, the relevant Account Holder, the Registrar or the Italian Warrant Agent, as the case may be, in consultation with the Principal Warrant 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 Warrant Agent, the Definitive Warrant Agent, the relevant Account Holder, the Registrar or the Italian Warrant Agent, as the case may be, and the Principal Warrant Agent or the Issuer, as the case may be.

If (a) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (b) 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 5.1(a), in the case of American Style Warrants, or Condition 5.1(b), in the case of European Style Warrants, shall become void.

The relevant Clearing System, the New York Warrant Agent, the Definitive Warrant Agent or the Italian Warrant Agent (in the case of English Law Warrants) or the relevant Account Holder (in the case of French Law 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 Warrant 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 Warrant 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.

6.8 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.

6.9 Automatic Exercise

- (a) This Condition only applies if the Warrants are Cash Settled Warrants which are not VPC Warrants or Dematerialised Italian Warrants, Automatic Exercise is specified as applying in the applicable Final Terms and Warrants are automatically exercised as provided in Condition 5.1(a) or Condition 5.1(b).
- (b) Unless otherwise provided in the applicable Final Terms, 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) Unless otherwise provided in the applicable Final Terms 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) (x) 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 Warrant Agent with a copy to the Principal Warrant Agent or (y) 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 Warrant Agent with a copy to the Principal Warrant 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 (B) in the case of Registered Warrants, deliver in writing a duly completed Exercise Notice to the Registrar with a copy to the Principal Warrant 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 6.1(a), Condition 6.1(b), Condition 6.1(c), Condition 6.2(a), Condition 6.2(b), Condition 6.2(c), Condition 6.3(a), Condition 6.3(b) or Condition 6.3(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 Warrant Agent, the Definitive Warrant 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 Warrant Agent is referred to in this Condition 6.9 as the **Exercise Notice Delivery Date**, provided that, (I) 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 Warrant Agent or the copy thereof is received by the Principal Warrant 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, and (II) in the case of Private Placement Definitive Warrants, if the Exercise Notice is received by the Definitive Warrant Agent or the copy thereof received by the Principal Warrant 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 (III) in the case of Registered Warrants, if the Exercise Notice is received by the Registrar or the copy thereof received by the Principal Warrant 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 6.9 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.

6.10 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 Warrant 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.

7. MINIMUM AND MAXIMUM NUMBER OF WARRANTS EXERCISABLE

7.1 American Style Warrants

This Condition 7.1 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.

7.2 European Style Warrants

This Condition 7.2 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.

8. ILLEGALITY AND FORCE MAJEURE

8.1 Illegality

If the Issuer determines that the performance of its obligations under the Warrants has become illegal in whole or in part for any reason, the Issuer may cancel the Warrants by giving notice to Holders in accordance with Condition 11.

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.

If the Issuer cancels the Warrants 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. Warrants, 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 such Holder, which amount shall be the fair market value of a Warrant 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, 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 11.

8.2 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 Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with Condition 11.

If the Issuer cancels the Warrants then the Issuer will, if and to the extent possible or practicable, pay an amount (if any) 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 such Holder, which amount shall be the fair market value (if any) of a Warrant 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, 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 11.

9. PURCHASES

The Issuer may, but is not obliged to, at any time purchase Warrants at any price in the open market or by tender or private treaty. Any Warrants so purchased may be held or resold or surrendered for cancellation; provided, however, that Warrants 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.

10. WARRANT AGENTS, REGISTRAR, DETERMINATIONS AND MODIFICATIONS

10.1 Warrant Agents and Registrar

The specified offices of each of the Warrant Agents Agent and the Registrar is 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 Warrant Agent or the Registrar and to appoint further or additional Warrant Agents or a further or additional Registrar, provided that no termination of appointment of the Warrant Agent or the Registrar, as the case may be, shall become effective until a replacement Warrant Agent or a replacement Registrar, as the case may be, shall have been appointed and provided that, so long as any of the Warrants are listed on a stock exchange, there shall be a Warrant Agent having a specified office in each location required by the rules and regulations of the relevant stock exchange and, if the Warrants are Registered Warrants, there shall be a Registrar. So long as any of the Warrants are Private Placement Definitive Warrants, there shall be a Definitive Warrant Agent, and so long as any of the Warrants are represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, there shall be a New York Warrant Agent. Notice of any termination of appointment and of any changes in the specified office of any of the Warrant Agents or the Registrar will be given to Holders in accordance with Condition 11. In acting under the Agency Agreement, the Warrant 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 Warrants by the Warrant 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 VPC Warrants the relevant Issuer is entitled to vary or terminate the appointment of the VPC Warrant Agent, provided that it appoints another VPC Warrant Agent that is duly authorised under SFIA Act as an account operator.

10.2 Calculation Agent

In relation to each issue of Warrants, the Calculation Agent (whether it be BNP Paribas, BNP Paribas Arbitrage SNC 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 Warrants 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 Issuers, 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.

10.3 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.

10.4 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 VPC Warrants, with the consent of VPC) 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 correct a manifest or proven error or to cure, correct or supplement any defective provision contained herein and/or therein. Notice of any such modification will be given to the Holders in accordance with Condition 11 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

11. NOTICES

All notices to Holders shall be valid if (a) (i) 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) and Dematerialised Italian Warrants, delivered to the relevant Clearing System, (in the case of English Law Warrants) or the relevant Account Holder (in the case of French Law Warrants) for communication by them to the Holders, (ii) in the case of Warrants represented by a Rule 144A Global Warrant 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 Warrants represented by Private Placement Definitive Warrants, mailed to their registered addresses appearing in the Private Placement Register, (iv) in the case of Registered Warrants, mailed to their registered addresses appearing in the Register, or (v) in the case of VPC Warrants, mailed by VPC in accordance with the SFIA Act and the VPC rules and (b) for so long as the Warrants 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 Dematerialised Italian Warrants that are Italian Listed Warrants such notices shall be published by Borsa Italiana S.p.A.). If the Warrants are listed and admitted to trading on the Luxembourg Stock Exchange, and so long as the rules of the Luxembourg Stock Exchange so require, notices shall be published in a daily newspaper with general circulation in Luxembourg

which is expected to be the *d'Wort* or 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.

12. EXPENSES AND TAXATION

- 12.1 A Holder of Warrants 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 in connection with the exercise of such Warrants and/or, if applicable, delivery or transfer of the Entitlement (the **Exercise Expenses**). Exercise Expenses relating to such Warrants as provided above.
- 12.2 The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Warrant and all payments made by the Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

13. FURTHER ISSUES

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

14. SUBSTITUTION OF THE ISSUER OR THE GUARANTOR

- 14.1 Except in the case of U.S. Warrants, 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 Warrants any company (the **Substitute**), being the Issuer or any other company, subject to:
- (a) where 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 Warrants;
 - (b) all actions, conditions and things required to be taken, fulfilled and done to ensure that the Warrants represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and are in full force and effect;
 - (c) the Substitute becoming party to the Agency Agreement, (unless the Substitute is 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 Warrants are listed shall have confirmed that, following the proposed substitution of the Substitute, the Warrants will continue to be listed on such stock exchange and in the case of VPC Warrants, VPC has consented to such substitution (such consent not to be unreasonably withheld or delayed);
 - (e) if appropriate, the Substitute shall have appointed a process agent as its agent in England (in the case of English Law Warrants) or France (in the case of French Law Warrants) to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Warrants; and
 - (f) the Issuer shall have given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with Condition 11.

14.2 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 Warrants any company (the **Substitute Guarantor**), being BNPP or any other company, subject to:

- (a) the creditworthiness of the Substitute Guarantor at such time being at least equal to the creditworthiness of BNPP (or of any previous substitute under this Condition), as determined in the sole and absolute discretion of the Calculation Agent 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 Limited and/or Fitch Ratings Limited, or any successor rating agency or agencies thereto, to the Substitute Guarantor or, as the case may be, to BNPP (or to any previous substitute under this Condition);
- (b) the Substitute Guarantor having entered into a guarantee (the **Substitute Guarantee**) in respect of the Warrants in substantially the same form as the 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 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 Guarantor had been named in these Terms and Conditions, the Documents and the Agency Agreement as the guarantor in respect of the Warrants in place of BNPP (or of any previous substitute under this Condition);
- (c) the Substitute 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 Warrants remain outstanding and for so long as any claim made against the Substitute Guarantor or the Issuer by any Holder in relation to the Warrants, the Substitute Guarantee or the Documents shall not have been finally adjudicated, settled or discharged;
- (d) each stock exchange on which the Warrants are listed having confirmed that following the proposed substitution of the Substitute Guarantor it will continue to list the Warrants and in the case of VPC Warrants, VPC has consented to such substitution (such consent not to be unreasonably withheld or delayed);
- (e) if appropriate, the Substitute Guarantor having appointed a process agent as its agent in England (in the case of English Law Warrants) or France (in the case of French Law Warrants) to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Warrants or the Substitute 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 11.

15. GOVERNING LAW

15.1 English Law Warrants

- (a) The English Law Warrants (including VPC Warrants and Dematerialised Italian Warrants), the English Law Agency Agreement and the English Law Guarantee are governed by, and shall be construed in accordance with, English law.
- (b) This Condition is for the benefit of the Holders of English Law Warrants only. Subject as provided below, the courts of England shall have exclusive jurisdiction to settle all disputes that may, directly

or indirectly, arise out of or in connection with the English Law Warrants and the English Law Guarantee and consequently each of the Issuer and the Guarantor submits to the exclusive jurisdiction of the English courts to hear all suits, actions or proceedings (together hereafter termed the **Proceedings**) relating to any such dispute. Each of the Issuer and the Guarantor waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. Nothing in this Condition 15.1 shall limit the right of the Holders to take any Proceedings against the Issuer and/or the BNPP B.V. Guarantor in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

- (c) Each of the Issuer and the Guarantor hereby appoints BNP Paribas, London branch at its registered office at 10 Harewood Avenue, London NW1 6AA, as their agent in England to receive service of process in any Proceedings in England relating to the English Law Warrants and the English Law 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 of the Issuer and the Guarantor agrees to appoint a substitute process agent and to notify the Holders of English Law Warrants of such appointment. Nothing in these provisions shall affect the right to serve process in any other manner permitted by law.

15.2 French Law Warrants

The French Law Warrants, the French Law Agency Agreement and the French Law 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*). Nothing in this Condition 15.2 shall limit the right of the Holders to take Proceedings against the Issuer and/or the Guarantor in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions. BNPP B.V. elects domicile at the registered office of BNP Paribas currently located at 16 boulevard des Italiens, 75009 Paris.

16. ADDITIONAL DISRUPTION EVENTS

Unless otherwise specified in the applicable Final Terms, the Additional Disruption Events shall not apply to any U.S. Securities.

- (a) **Additional Disruption Event** means any of Change in Law, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Insolvency Filing, Loss of Stock Borrow, Failure to Deliver due to Illiquidity, Analogous Event, Cancellation Event, Currency Event, Force Majeure Event and/or Jurisdiction Event in each case if specified in the applicable Final Terms, save that any reference in the definitions of the above Additional Disruption Events to "Share" and "Share Company" shall instead be references to "Debt Security" and "Security Issuer" (as defined in the Final Terms) respectively in respect of Debt Security or Debt Warrants;

Change in Law means that, on or after the Trade Date (as specified in the applicable Final Terms) (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole and absolute discretion that it has become illegal to hold, acquire or dispose of any relevant Share (in the case of Share Warrants) or any relevant hedge positions relating to an Index (in the case of Index Warrants);

Failure to Deliver due to Illiquidity means, following the exercise of Physical Delivery Warrants, 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;

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) 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 Warrants, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s);

Hedging Shares means the number of Shares (in the case of Share Warrants) or securities/commodities comprised in an Index (in the case of Index Warrants) that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Warrants;

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) 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 Warrants, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), 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 Share (in the case of Share Warrants) or any security/commodity comprised in an Index (in the case of Index Warrants) that is greater than the Initial Stock Loan Rate;

Initial Stock Loan Rate means, in respect of a Share (in the case of Share Warrants) or a security/commodity comprised in an Index (in the case of Index Warrants), the initial stock loan rate specified in relation to such Share, security 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;

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 Share (in the case of Share Warrants) or any securities/commodities comprised in an Index (in the case of Index Warrants) in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate; and

Maximum Stock Loan Rate means, in respect of a Share (in the case of Share Warrants) or a security/commodity comprised in an Index (in the case of Index Warrants), the Maximum Stock Loan Rate specified in the applicable Final Terms.

(b) **Additional Definitions**

The following additional Condition 16(b) shall apply only if so specified in the Final Terms.

Analogous Event means any analogous event to any of the Additional Disruption Event as determined by the Calculation Agent;

Cancellation Event means, that in the determination of the Calculation Agent, all or some of the Debt Securities, are terminated or cancelled for any reason, and as a result thereof in the sole discretion of the Calculation Agent, such termination or cancellation either affects the aggregate hedge positions in respect of the Warrants or otherwise makes it impossible, impracticable or unduly onerous for the Issuer or the hedge provider to hedge the Issuer's obligations in respect of the Warrants;

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 or any Qualified Investor (a) to convert the relevant currency (**Local Currency**) in which the Shares, the Index or the Debt Securities or any options or futures contracts or other hedging arrangement in relation to the Shares, the Index or the Debt Securities (for the purposes of hedging the Issuer's obligations under the Warrants) 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 Shares, the Index or the Debt Securities or any options or futures contracts in relation to the Shares, the Index or the Debt Securities 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 Warrants;

Force Majeure Event means that, on or after the Trade Date, the performance of the Issuer's obligations under the Warrants 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 relevant affiliates) or any Qualified Investor, of all or substantially all of its assets in the Local Currency jurisdiction;

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 or a Qualified Investor to purchase, sell, hold or otherwise deal (or to continue to do so in the future) in the Shares, the Index or the Debt Securities or any options or futures contracts in relation to the Shares, the Index or the Debt Securities in order for the Issuer to perform its obligations under the Warrants or in respect of any relevant hedging arrangements in connection with the Warrants (including, without limitation, any purchase, sale or entry into or holding of one or more securities positions, currency positions, stock loan transactions, derivatives position or other instruments or arrangements (however described) by the Issuer (or any of its affiliates) in

order to hedge, either individually or on a portfolio basis, the Warrants) or the costs of so doing would (in the 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; and

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.

- (c) If an 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 (i) or (ii) below:
- (i) 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 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 determine the effective date of that adjustment; or
 - (ii) unless Cancellation on Occurrence of Additional Disruption Event is specified as not applicable in the applicable Final Terms, cancel the Warrants by giving notice to Holders in accordance with Condition 11. 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 the fair market value of a Warrant or a Unit, as the case may be, taking into account the 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 11.

If a Failure to Deliver due to Illiquidity occurs:

- (iii) 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 accordance with Condition 5.3(b) and 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
- (iv) 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. Warrants (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 Warrant or 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 11. 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 11.

Failure to Deliver Settlement Price in respect of any relevant Warrant or Unit, as the case may be, shall be the fair market value of such Warrant 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 (unless provided for otherwise in the relevant Final Terms), all as determined by the Issuer in its sole and absolute discretion, plus, 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).

- (d) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 11 stating the occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

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 11:

- (a) elect that, with effect from the Adjustment Date specified in the notice, certain terms of the Warrants shall be redenominated in euro;

The election will have effect as follows:

- (i) where the Settlement Currency of the Warrants 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 Warrants will be made solely in euro as though references in the Warrants 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 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 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 Warrant 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 Community regulations) into euro established by the Council of the European Union pursuant to first sentence of Article 1091(4) 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 establishing the European Community, as amended.

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

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

ANNEX 1

ADDITIONAL TERMS AND CONDITIONS FOR INDEX WARRANTS

*The terms and conditions applicable to Index Warrants shall comprise the Terms and Conditions of the Warrants set out on page 58 (the **General Conditions**) and the additional Terms and Conditions set out below (the **Index Warrant Conditions**), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Index Warrant Conditions, the Index Warrant Conditions shall prevail. In the event of any inconsistency between (a) the General Conditions and/or the Index Warrant Conditions and (b) the Final Terms, the Final Terms shall prevail.*

1. Definitions

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;

Component means each and any component security of any 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 a relevant Exchange or a Related Exchange (if any) fails to open for trading during its regular trading session or on which 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 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% 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, the principal stock exchange on which such Component is principally traded, as determined by the Calculation Agent, any successor thereto or any substitute exchange or quotation system to which trading in the securities/commodities underlying the Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the shares on such temporary substitute exchange or quotation system as on the original Exchange); and
- (b) in the case of any Index which is not a Composite Index, and 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/commodities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities/commodities 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, Exchange Business Day (All Indices Basis) or 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 its (their) Scheduled Closing Time and (ii) in respect of any Composite Indices, (a) 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 its 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 its 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 on the Exchange in respect of such Component; 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% 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 1, the indices or index specified in the applicable Final Terms and related expressions shall be construed accordingly;

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 of the Warrants is the index sponsor specified for such Index in the applicable Final Terms;

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, Scheduled Trading Day (All Indices Basis) or 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, Exchange Business 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 Price means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex and as referred to in "Valuation Date" or "Averaging Date", as the case may be:

- (a) in the case of Index Warrants relating to a basket of Indices, an amount (which shall be deemed to be a monetary value on the same basis as the Exercise Price) equal to the sum of the values calculated for each Index as the official closing level for each Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of each Index determined by the Calculation Agent as set out in the applicable Final Terms at the Relevant Time on (i) if Averaging is not specified in the applicable Final Terms, the Valuation 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 Warrants relating to a single Index, an amount (which shall be deemed to be a monetary value on the same basis as the Exercise Price) equal to the official closing level 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 Relevant Time on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date;

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 on the Exchange in respect of such Component; 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% 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, in relation to Warrants relating to a single Index or basket of Indices:

- (a) in respect of a Composite Index:
 - (i) (A) the occurrence or existence, in respect of any Component, of:
 - (1) a Trading Disruption in respect of such Component, 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 is principally traded;
 - (2) an Exchange Disruption in respect of such Component, 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 is principally traded; or
 - (3) an Early Closure in respect of such Component; and
 - (B) the aggregate of all Components in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20% 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 at any time, if a Market Disruption Event occurs in respect of such Component at that time, then the relevant percentage contribution of that Component 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 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 General Condition 11 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day would have been an Averaging Date, an Observation Date or a Valuation Date.

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 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 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 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, contracts or commodities and other routine events) (an **Index Modification**), or permanently cancels a relevant Index and no Successor Index exists (an **Index Cancellation**), or (b) on a Valuation Date, an Observation Date or an Averaging 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 Calculation, each an **Index Adjustment Event**), then, except as may be limited in the case of U.S. Warrants;

- (a) the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Warrants and, if so, shall calculate the relevant Settlement 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/commodities that comprised that Index immediately prior to that Index Adjustment Event; or
- (b) unless Cancellation on Occurrence of Index Adjustment Event is specified as being not applicable in the applicable Final Terms, the Issuer may cancel the Warrants by giving notice to Holders in accordance with General Condition 11. 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 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 General Condition 11.

3.3 Notice

The Calculation Agent shall, as soon as practicable, notify the relevant Warrant 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 Warrant 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 of a Cash Settlement Amount, if the Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Warrants, is subsequently corrected and the correction published by the relevant Index Sponsor within 30 days 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 the relevant Settlement Date will be disregarded by the Calculation Agent for the purposes of determining any Cash Settlement Amount.

5. **Knock-in Event and Knock-out Event**

5.1 If "Knock-in Event" is specified as applicable in the Final Terms, then, unless otherwise specified in such Final Terms, payment under the relevant Warrants which is expressed in the applicable Final Terms to be subject to a Knock-in Event, shall be conditional upon the occurrence of such Knock-in Event.

5.2 If "Knock-out Event" is specified as applicable in the Final Terms, then, unless otherwise specified in such Final Terms, payment under the relevant Warrants which is expressed in the applicable Final Terms to be subject to a Knock-out Event, shall be conditional upon the occurrence of such Knock-out Event.

5.3 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 Disrupted Day, then, unless otherwise specified 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.

5.4 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 and/or ends at the time on which the level of the Index triggers the Knock-in Level or the Knock-out Level, a Market Disruption Event occurs or exists, then, unless otherwise specified in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.

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

Unless otherwise specified in the applicable Final Terms:

Knock-in Event means:

- (a) (in the case of a single Index) that the level of the Index determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is; or
- (b) (in the case of a Basket of Indices) that the amount determined by the Calculation Agent equal to the sum of the values of each Index as the product of (x) the level of such Index as of the Knock-in Valuation Time on any Knock-in Determination Day and (y) the relevant Weighting is,

(A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Knock-in Level as specified in the applicable Final Terms;

Knock-in Level means (a) in the case of a single Index, the level of the Index or (b) in case of a basket of Indices, the level, in each case 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 Index Warrant Condition 2 (Market Disruption) and Index Warrant Condition 3 (Adjustments to an Index);

Knock-in Determination Day means the date(s) specified as such in the applicable Final Terms, or each Scheduled Trading Day during the Knock-in Determination Period subject, in either case, to the provisions set forth in Index Warrant Condition 2 (Market Disruption). For the purposes of such Condition, any Knock-in Determination Day will be treated as a Valuation Date and the provisions contained in the definition of "Valuation Date" in these Conditions shall apply. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of "Averaging Date" in General Condition 3.3 shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Knock-in Determination Day";

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 Period Beginning Date means the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day;

Knock-in Period Ending Date means the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day;

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-out Determination Day means the date(s) as specified in the applicable Final Terms, or each Scheduled Trading Day during the Knock-out Determination Period subject, in either case, to the provisions set forth in Index Warrant Condition 2 (Market Disruption). For the purposes of such Condition, any Knock-out Determination Day will be treated as a Valuation Date and the provisions contained in the definition of "Valuation Date" set out in these Conditions shall apply. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of "Averaging Date" in General Condition 4 shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Knock-out Determination Day";

Knock-out Event means:

- (a) (in the case of a single Index) that the level of the Index determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is; or
- (b) (in the case of a Basket of Indices) that the amount determined by the Calculation Agent equal to the sum of the values of each Index as the product of (x) the level of such Index as of the Knock-out Valuation Time on any Knock-out Determination Day and (y) the relevant Weighting is,

(A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Knock-out Level as specified in the applicable Final Terms;

Knock-out Level means, in the case of a single Index, (a) the level of the Index or (b) in the case of a Basket of Indices, the level, in each case 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 Index Warrant Condition 2 (Market Disruption) and Index Warrant Condition 3 (Adjustments to an Index);

Knock-out Period Beginning Date means the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day;

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 Period Ending Date means the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day; and

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.

ANNEX 2

ADDITIONAL TERMS AND CONDITIONS FOR SHARE WARRANTS

*The terms and conditions applicable to Share Warrants shall comprise the Terms and Conditions of the Warrants set out on page 58 (the **General Conditions**) and the additional Terms and Conditions set out below (the **Share Warrant Conditions**), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Share Warrant Conditions, the Share Warrant Conditions shall prevail. In the event of any inconsistency between (a) the General Conditions and/or the Share Warrant Conditions and (b) the Final Terms, the Final Terms shall prevail.*

6. Definitions

Basket Company means a company whose shares are included in the basket of Shares and **Basket Companies** means all such companies;

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 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 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, Exchange Business Day (All Shares Basis) or 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 any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to its (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 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;

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;

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, Scheduled Trading Day (All Shares Basis) or 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, Exchange Business Day (Per Share Basis) shall apply;

Scheduled Trading Day (All Shares Basis) means any day on which each Exchange and each Related Exchange are scheduled to be open for trading 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 Price means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex and as referred to in "Valuation Date" or "Averaging Date", as the case may be:

- (a) in the case of Share Warrants relating to a basket of Shares, an amount equal to the sum of the values calculated for each Share at the official closing price (or the price at the Relevant Time on the Valuation 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 Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and (or if in the opinion of the Calculation Agent, any such official closing price (or the price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the Valuation 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 Relevant Time on the Valuation 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 Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the relevant Share whose official closing price (or the price at the Relevant Time on the Valuation 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 the relevant Share or on such other factors as the Calculation Agent shall decide), multiplied by the relevant Weighting, each such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and the sum of such converted amounts to be the Settlement Price, all as determined by or on behalf of the Calculation Agent; and

- (b) in the case of Share Warrants relating to a single Share, an amount equal to the official closing price (or the price at the Relevant Time on the Valuation 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 Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and (or if, in the opinion of the Calculation Agent, any such official closing price (or the price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the Valuation 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 Relevant Time on the Valuation 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 Relevant Time on the Valuation 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;

Shares and **Share** mean, subject to adjustment in accordance with this Annex 2, in the case of an issue of Warrants relating to a basket of Shares, each share and, in the case of an issue of Warrants 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 Warrants relating to a single Share, the company that has issued such share; 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.

7. **Market Disruption**

Market Disruption Event means, in relation to Warrants 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 General Condition 11 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been an Averaging Date, or an Observation Date or a Valuation Date.

8. **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.

Except as may be limited in the case of U.S. Warrants, 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 (i) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price 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 (ii) 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 General Condition 11, stating the adjustment to any Relevant Asset and/or the Entitlement and/or the Exercise Price 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.

9. Merger Event, Tender Offer, De-Listing, Nationalisation and Insolvency

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 an 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).

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.

Merger Date means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

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% 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% of the outstanding Shares immediately following such event, in each case if the Merger Date is on or before (i) in the case of Cash Settled Warrants, the last

occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Warrant or (ii) in the case of Physical Delivery Warrants, the relevant Settlement Date.

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 required to be 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% and less than 100% 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.

If a Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency occurs in relation to a Share, the Issuer in its sole and absolute discretion may take the action described in (a), (b), (c), (d) or, in the case of Warrants relating to a basket of Shares only (e) below (except as may be limited in the case of U.S. Warrants):

- (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 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 Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, as the case may be, 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 Warrants. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency made by any options exchange to options on the Shares traded on that options exchange. In addition such adjustment may be made in accordance with the provisions of subparagraph (e) below;
- (b) in the case of Share Warrants relating to a basket of Shares cancel part of the Warrants by giving notice to Holders in accordance with General Condition 11. If the Warrants are so cancelled in part the portion (the **Cancelled Amount**) of each Warrant or if Units are specified in the applicable Final Terms each Unit representing the affected Share(s) shall be cancelled and the Issuer will (i) pay to each Holder in respect of each Warrant or Units, as the case may be, held by him an amount equal to the fair market value of the Cancelled Amount, taking into account the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency, as the case may be, 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 one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price 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 in part. For the avoidance of doubt the remaining part of each Warrant or Unit, as the case may be, after such cancellation 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 General Condition 11;
- (c) unless Cancellation on Occurrence of Extraordinary Event is specified as being not applicable in the applicable Final Terms, cancel the Warrants by giving notice to Holders in

accordance with General Condition 8. 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 the fair market value of a Warrant or a Unit, as the case may be, taking into account the Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, as the case may be, 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 General Condition 11; or

- (d) 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 and/or the Exercise Price 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 and/or the Exercise Price 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 Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, as the case may be, 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
- (e) on or after the relevant Merger Date, Tender Offer Date, or the date of the Nationalisation, Insolvency or De-Listing (as the case may be), the Calculation Agent may adjust the basket 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 such Merger Event, Tender Offer, Nationalisation, Insolvency or De-Listing and the Substitute Share and its issuer will be deemed to be a **Share** and the relevant issuer of such shares **Basket Company** for the purposes of the Warrants, respectively, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement 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 (for the avoidance of doubt) the Exercise Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

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

where:

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

"B" is the Exercise 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 will be deemed to be effective as of the date selected by the Calculation Agent (the **Substitution Date**) in its absolute discretion and specified in the notice referred to in subparagraph (c) below which may, but need not, be the Merger Date or Tender Offer Date or the date of the Nationalisation, Insolvency or De-Listing (as the case may be).

The Weighting of each Substitute Share in the basket 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;
- (ii) the relevant issuer of such share belongs to a similar 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.

Upon the occurrence of a Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, the Issuer shall give notice as soon as practicable to the Holders in accordance with General Condition 11 stating the occurrence of the Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, as the case may be, 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.

10. 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 of a Cash Settlement Amount, 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 Warrants, is subsequently corrected and the correction published by the relevant Exchange within 30 days 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 the relevant Settlement Date will be disregarded by the Calculation Agent for the purposes of determining any Cash Settlement Amount.

11. Knock-in Event and Knock-out Event

- 11.1 If **Knock-in Event** is specified as applicable in the Final Terms, then, unless otherwise specified in such Final Terms, any payment under the relevant Warrants which is expressed in the applicable Final Terms to be subject to a Knock-in Event, shall be conditional upon the occurrence of such Knock-in Event.
- 11.2 If **Knock-out Event** is specified as applicable in the Final Terms, then, unless otherwise specified in such Final Terms, any payment under the relevant Warrants which is, in either case, expressed in the applicable Final Terms to be subject to a Knock-out Event, shall be conditional upon the occurrence of such Knock-out Event.
- 11.3 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 Disrupted Day, then, unless otherwise specified 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.

- 11.4 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 and/or ends at the time on which the price of the Share triggers the Knock-in Price or the Knock-out Price, a Market Disruption Event occurs or exists, then, unless otherwise specified in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.

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

Unless otherwise specified in the applicable Final Terms:

Knock-in Determination Day means the date(s) specified as such in the applicable Final Terms, or each Scheduled Trading Day during the Knock-in Determination Period subject to, in either case, the provisions set forth in paragraph Share Warrant Condition 2 (Market Disruption). For the purposes of such Condition, any Knock-in Determination Day will be treated as a Valuation Date and the provisions contained in the definition of "Valuation Date" set out in these Conditions shall apply. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of "Averaging Date" in General Condition 4 shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Knock-in Determination Day";

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-in Event means:

- (a) (in the case of a single Share) that the price of the Share determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is; or
- (b) (in the case of a Basket of Shares) that the amount determined by the Calculation Agent equal to the sum of the values of the Shares of each Company as the product of (x) the price of such Share as determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day and (y) the relevant Weighting is,

(A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Knock-in Price as specified in the applicable Final Terms;

Knock-in Price means, (a) in case of a single Share, the price per Share or (b) in the case of a Basket, the price, in each case 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 Share Warrant Condition 2 (Market Disruption) and as set forth in Share Warrant Condition 8 (Potential Adjustment Events) and Share Warrant 9 (Merger Event, Tender Offer, De-Listing, Nationalisation and Insolvency);

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 Period Beginning Date means the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable

in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day;

Knock-in Period Ending Date means the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day;

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-out Determination Day means the date(s) specified as such in the applicable Final Terms, or each Scheduled Trading Day during the Knock-out Determination Period subject to, in either case, the provisions set forth in Share Warrant Condition 2 (Market Disruption). For the purposes of such Condition, any Knock-out Determination Day will be treated as a Valuation Date and the provisions contained in the definition of "Valuation Date" set out in these Conditions shall apply. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of "Averaging Date" in General Condition 9 shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Knock-out Determination Day";

Knock-out Event means:

- (a) (in the case of a single Share) that the price of the Share determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is; or
- (b) (in the case of a Basket of Shares) that the amount determined by the Calculation Agent equal to the sum of the values of each Share as the product of (x) the price of such Share as determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day and (y) the relevant Weighting,

(A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Knock-out Price as specified in the applicable Final Terms;

Knock-out Price means, (a) in the case of a single Share, the price per Share or (b) in the case of a Basket, the price, in each case 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 Share Warrant Condition 2 (Market Disruption) and set forth in Share Warrant Condition 8 (Potential Adjustment Events) and Share Warrant Condition 9 (Merger Event, Tender Offer, De-Listing, Nationalisation and Insolvency);

Knock-out Period Beginning Date means the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day;

Knock-out Period Ending Date means the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day; and

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.

NOTA DI SINTESI

La presente nota di sintesi deve essere letta come introduzione al presente Prospetto di Base. Ogni eventuale decisione di investire nei Titoli dovrebbe basarsi su un'analisi del presente Prospetto di Base nel suo insieme, inclusi i documenti incorporati tramite riferimento. A seguito dell'attuazione delle rilevanti disposizioni della Direttiva sul Prospetto in ciascuno Stato Membro dello Spazio Economico Europeo, i Soggetti Responsabili non avranno alcuna responsabilità civile in alcuno di tali Stati Membri in relazione alla presente Nota di Sintesi, inclusa ogni eventuale traduzione della stessa, a meno che questa sia fuorviante, imprecisa o incoerente quando letta congiuntamente alle altre parti del presente Prospetto di Base. Qualora sia intentata una causa in relazione ad informazioni contenute nel presente Prospetto di Base davanti ad un tribunale di uno Stato Membro dello Spazio Economico Europeo, può essere richiesto alla parte attrice, ai sensi della legislazione nazionale dello Stato Membro in cui tale causa è intentata, di sostenere i costi della traduzione del presente Prospetto di Base prima dell'inizio del procedimento legale.

I termini e le espressioni definiti alla rubrica "Fattori di Rischio", nelle Condizioni applicabili e nelle Condizioni Definitive applicabili avranno lo stesso significato nella presente nota di sintesi.

Emittenti	BNP Paribas Arbitrage Issuance B.V. (" BNPP B.V. ") BNP Paribas (" BNPP " o la " Banca " e, unitamente alle sue società rientranti nel suo perimetro di consolidamento, il " Gruppo ")
Garante	BNP Paribas
Descrizione di BNPP B.V.	BNPP B.V. è una società a responsabilità limitata (<i>limited company</i>) costituita ai sensi della legge olandese. Il suo oggetto sociale comprende principalmente: (i) prendere e concedere prestiti e la raccolta di fondi, inclusa, a mero titolo esemplificativo, l'emissione e l'acquisto di prestiti obbligazionari, strumenti di debito, strumenti finanziari quali, tra l'altro, warrant e certificati di qualsiasi natura, indicizzati o no a, <i>inter alia</i> , azioni, panieri di azioni, indici di borsa, valute, <i>commodities</i> o <i>future su commodities</i> e la stipula di contratti connessi; e (ii) lo svolgimento di attività industriali, finanziarie e commerciali di qualsiasi natura e tutte le altre attività che possano essere considerate incidentali o strumentali al raggiungimento del proprio oggetto sociale.
Descrizione di BNPP	Il Gruppo (di cui BNPP è la capogruppo) è uno dei principali operatori a livello mondiale nel settore dei servizi finanziari, e svolge attività di <i>retail</i> , <i>corporate</i> e <i>investment banking</i> , <i>private banking</i> , gestione patrimoniale, assicurazione, servizi specializzati ed altre attività finanziarie in tutto il mondo. Al 31 dicembre 2006, il Gruppo aveva attività consolidate per un totale di 1.140,3 miliardi di euro ed un patrimonio netto (la partecipazione azionaria del Gruppo, compreso l'utile per l'esercizio 2006) di 49,5 miliardi di euro. Ad oggi al Gruppo sono assegnati rating per il suo debito non subordinato a lungo termine pari a "Aa1", con prospettive stabili, da parte di Moody's, "AA" con prospettive positive da parte di Standard e Poor's e "AA" con prospettive stabili da parte di Fitch Ratings. Moody's ha inoltre assegnato

alla Banca un rating di Solidità Finanziaria Bancaria pari a “B” e Fitch Ratings ha assegnato alla Banca un rating individuale pari a “A/B”.

Descrizione del Programma

Programma di Warrant e di Certificati

Fattori di Rischio (Emittenti)

Esistono certi fattori di rischio suscettibili di influenzare la capacità di ciascun Emittente di adempiere le rispettive obbligazioni relative ai Titoli emessi ai sensi del Programma. Tali rischi comprendono i seguenti fattori di rischio relativi alla Banca, alle sue attività ed al settore in cui opera:

- (i) Otto principali categorie di rischi riguardano le attività della Banca:
 - Rischio di Credito;
 - Rischio di Mercato e di Liquidità;
 - Rischio di Gestione delle Attività-Passività;
 - Rischio di Liquidità e di Rifinanziamento;
 - Rischio Assicurativo;
 - Rischio Operativo;
 - Rischio di Conformità; e
 - Rischio di Reputazione.
- (ii) Condizioni di mercato od economiche sfavorevoli rischiano di causare una riduzione dell’utile netto bancario o della redditività.
- (iii) La Banca può sostenere perdite significative nelle sue attività di negoziazione e di investimento a causa di oscillazioni e della volatilità del mercato.
- (iv) La Banca può generare ricavi inferiori dalle attività di intermediazione e da altre attività basate su commissioni ed onorari nel corso di flessioni del mercato.
- (v) Una flessione del mercato di lungo periodo può ridurre la liquidità nei mercati, rendendo la vendita di attività più difficile e rischiando di condurre a notevoli perdite.
- (vi) Oscillazioni dei tassi di interesse notevoli potrebbero avere un impatto negativo sull’utile netto bancario o sulla redditività della Banca.
- (vii) Un notevole aumento di nuovi accantonamenti od una diminuzione del livello di accantonamenti registrati in precedenza potrebbe avere un effetto negativo sui risultati operativi e sulla situazione finanziaria della Banca.
- (viii) La posizione competitiva della Banca potrebbe essere indebolita qualora fosse danneggiata la reputazione di quest’ultima.
- (ix) Una interruzione o violazione dei sistemi informativi della Banca potrebbe avere come conseguenza una perdita di attività ed altre perdite.
- (x) Eventi imprevisti possono interrompere le attività della Banca e causare ingenti perdite e costi aggiuntivi.

- (xi) La Banca è soggetta ad estesi regimi di vigilanza e regolamentazione in Francia, in altri Paesi europei, negli Stati Uniti, nella regione Asia-Pacifico e nei numerosi paesi del mondo in cui opera; interventi di natura regolamentare e modifiche dei regimi regolamentari potrebbero avere un effetto negativo sulle attività e sui risultati della Banca.
- (xii) Le politiche, procedure e metodi di gestione dei rischi della Banca possono lasciare quest'ultima esposta a rischi non identificati o imprevisti, che potrebbero causare perdite rilevanti.
- (xiii) Le strategie di copertura della Banca possono non essere sufficienti ad evitare perdite.
- (xiv) La Banca può avere difficoltà nell'individuare ed eseguire acquisizioni, con il risultato di un danneggiamento dei risultati operativi della Banca stessa.
- (xv) L'intensa concorrenza, soprattutto nel mercato interno della Banca, in Francia, dove la Banca concentra principalmente le proprie attività, potrebbe avere un impatto negativo sull'utile netto bancario e sulla redditività della Banca.

I seguenti fattori di rischio riguardano BNPP B.V.: BNPP B.V. non è una società operativa. La sua sola attività consiste nella raccolta e nella concessione di finanziamenti attraverso l'emissione di Titoli od altre obbligazioni. BNPP B.V. non detiene, e non deterrà, alcun attività diversa dalle commissioni alla stessa pagabili o da altre attività acquistate dalla stessa, in ciascun caso in relazione all'emissione di Titoli od all'assunzione di altre obbligazioni di volta in volta relative al Programma. I proventi netti di ciascuna emissione di Titoli emessi dall'Emittente diventeranno parte dei fondi generali di BNPP B.V. BNPP B.V. ha la facoltà di utilizzare tali proventi per mantenere posizioni in certi Accordi di Copertura. La capacità di BNPP B.V. di adempiere le proprie obbligazioni ai sensi dei Titoli dalla stessa emessi dipenderà dal ricevimento da parte della stessa di pagamenti ai sensi dei relativi Accordi di Copertura. Pertanto, BNPP B.V. è esposta alla capacità delle controparti, in relazione a tali Accordi di Copertura, di adempiere le proprie obbligazioni ai sensi di tali Accordi di Copertura.

Fattori di Rischio (Titoli)

Esistono anche certi fattori di rischio di rilevante importanza al fine della valutazione dei rischi associati ai Titoli emessi ai sensi del Programma, ognuno dei quali può influenzare il valore e/o la liquidità dei relativi Titoli. Questi comprendono:

- (i) **Alto livello di rischio:** i Titoli comportano un alto livello di rischio, che può includere, tra gli altri, il rischio di tasso di interesse, il rischio di cambio, il rischio di valore temporale ed il rischio politico. I potenziali acquirenti di Titoli dovrebbero riconoscere che i propri Titoli rischiano di arrivare a scadenza privi di valore.
- (ii) **I Titoli sono Obbligazioni Non Assistite da Garanzie Reali (Unsecured):** i Titoli sono obbligazioni non subordinate e non

assistite da garanzie reali (*unsecured*) del relativo Emittente concorrono *pari passu* tra loro. Le obbligazioni di BNPP ai sensi delle Garanzie sono obbligazioni non assistite da garanzie reali (*unsecured*) e non subordinate di BNPP e concorrono *pari passu* rispetto a tutte le sue altre obbligazioni presenti e future non subordinate e non assistite da garanzie reali (*unsecured*), salvo disposizioni di volta in volta imperative della legge francese.

- (iii) **Rischi relativi al valore temporaneo dei Titoli:** Il valore temporaneo dei Titoli varia con il variare del livello di prezzo del relativo Sottostante di Riferimento (come definito alla rubrica “*Fattori di Rischio*”) e di vari altri fattori intercorrelati.
- (iv) **Alcune Considerazioni sulla Copertura:** può non essere possibile acquistare o liquidare titoli in un portafoglio ai prezzi utilizzati per calcolare il valore di ogni relativo Sottostante di Riferimento.
- (v) **Effetto sulla Riduzione del Rating:** una eventuale riduzione del rating assegnato ai titoli di debito in circolazione di BNPP B.V. o di BNPP da parte di un’agenzia di rating potrebbe tradursi in una riduzione del valore di negoziazione dei Titoli.
- (vi) **Ulteriori Fattori di Rischio Associati a Titoli su Valuta:** le oscillazioni dei tassi di cambio possono avere un effetto sul valore dei Titoli su Valuta. Gli acquirenti di Titoli su Valuta rischiano di perdere il loro intero investimento qualora i tassi di cambio della relativa valuta non si muovano nella direzione prevista.
- (vii) **Possibile Illiquidità dei Titoli nel Mercato Secondario:** una diminuzione della liquidità di un’emissione di Titoli può causare un aumento della volatilità del prezzo di tale emissione di Titoli. Qualora una emissione di Titoli diventi illiquida, un investitore può essere costretto ad esercitare (nel caso di Warrant) o ad attendere fino al rimborso di tali Titoli per realizzarne il valore.
- (viii) **Potenziati Conflitti di Interesse:** BNPP B.V., BNPP e le loro affiliate potrebbero intraprendere attività suscettibili di presentare certi conflitti di interesse ed influenzare il prezzo dei Titoli.
- (ix) **Eventi di Turbativa del Mercato:** qualora ad una data specifica si verifici o persista un Evento di Turbativa del Mercato o la relativa borsa valori non apra, l’eventuale conseguente rinvio di tale data o qualsiasi disposizione alternativa per la valutazione prevista nei Titoli possono avere un effetto negativo sul valore e sulla liquidità di tali Titoli e tradursi nel rinvio della relativa Data di Regolamento o Data di Rimborso.
- (x) **Eventi di Rettifica:** qualora un Indice (i) non sia calcolato e annunciato dallo Sponsor dell’Indice in relazione all’Indice, ma calcolato ed annunciato da un accettabile sponsor o ente sostitutivo, a seconda dei casi, o (ii) sia sostituito da un indice sostitutivo autorizzato, in entrambi i casi tale indice sarà considerato come

Prezzo dell'Indice. Qualora si verifichi un Evento di Rettifica dell'Indice, salvo limitazioni nel caso di Titoli statunitensi:

- (a) il relativo Prezzo di Regolamento potrà essere calcolato su una base modificata; o
 - (b) nel caso di Warrant, salvo quanto diversamente specificato nelle Condizioni Definitive applicabili, nel caso di Certificati o a meno che nelle Condizioni Definitive applicabili sia specificato un Rimborso Ritardato al Verificarsi di un Evento di Rettifica dell'Indice, i Titoli potranno essere cancellati o rimborsati (“**terminati**”) ed il giusto valore di mercato dei Titoli sarà pagabile, tenendo conto dell'Evento di Rettifica dell'Indice, meno il costo sostenuto dall'Emittente e/o dalle sue Affiliate per la liquidazione di ogni eventuale accordo di copertura sottostante; o
 - (c) nel caso di Certificati e qualora un Rimborso Ritardato al Verificarsi di un Evento di Rettifica dell'Indice sia specificato nelle Condizioni Definitive applicabili, l'Agente per il Calcolo determinerà l'Importo Calcolato ed alla Data di Rimborso l'Emittente rimborserà i Certificati all'Importo Calcolato, maggiorato dei relativi interessi maturati (calcolati come previsto nelle Condizioni del Certificato Indicizzato) o, se maggiore, all'Importo Nozionale di ciascun Certificato.
- (xi) **Potenziati Eventi di Rettifica:** nel caso di Titoli su Azioni, a seguito della dichiarazione da parte della Società Paniere o Società di Azioni, a seconda dei casi, dei termini di un Potenziale Evento di Rettifica, una rettifica corrispondente potrà essere apportata ad uno o più termini dei Termini e Condizioni e/o delle Condizioni Definitive applicabili.
- (xii) **Altri Eventi relativi ai Titoli su Azioni:** nel caso di Titoli su Azioni, qualora si verifichi in relazione ad un'Azione un Evento di Fusione, un'Offerta Pubblica di Acquisto, un Delisting, una Nazionalizzazione o Insolvenza:
- (a) potranno essere apportate rettifiche ai Termini e Condizioni e/o alle Condizioni Definitive applicabili per riflettere tale avvenimento;
 - (b) nel caso di Warrant, a meno che non sia altrimenti specificato nelle Condizioni Definitive applicabili o nel caso di Certificati, a meno che sia specificato nelle Condizioni Definitive applicabili un Rimborso Ritardato al Verificarsi di un Evento Straordinario, i Titoli potranno essere cancellati o rimborsati, a seconda dei casi, in tutto o in parte; o
 - (c) nel caso di Certificati e qualora sia specificato nelle Condizioni Definitive applicabili un Rimborso Ritardato al Verificarsi di un Evento Straordinario, l'Agente per il Calcolo determinerà

l'Importo Calcolato e, alla Data di Rimborso, l'Emittente rimborserà i Certificati all'Importo Calcolato, maggiorato dei relativi interessi maturati (calcolati come previsto nelle Condizioni del Certificato Azionario) o, se maggiore, all'Importo Nozionale di ciascun Certificato.

(xiii) **Titoli su *Commodities* ed Evento di Turbativa del Mercato:** nel caso di Titoli su *Commodities*, qualora dovessero verificarsi una Disparizione del Prezzo di Riferimento della *Commodity*, un rilevante Cambiamento della Formula od un Rilevante Cambiamento del Contenuto:

- (a) il Prezzo di Regolamento potrà essere calcolato su una base modificata;
- (b) nel caso di Warrant, salvo quanto diversamente specificato nelle Condizioni Definitive applicabili o, nel caso di Certificati, a meno che nelle Condizioni Definitive applicabili sia specificato un Evento di Rimborso Ritardato al Verificarsi di un Evento di Turbativa del Mercato, i Titoli potranno essere cancellati o riscattati, a seconda dei casi; o
- (c) nel caso di Certificati e, qualora un Evento di Rimborso Ritardato al Verificarsi di un Evento di Turbativa del Mercato sia specificato nelle Condizioni Definitive applicabili, l'Agente per il Calcolo determinerà l'Importo Calcolato ed alla Data di Rimborso l'Emittente rimborserà i Certificati all'Importo Calcolato, maggiorato degli interessi maturati (calcolati come previsto nelle Condizioni del Certificato della Materia Prima) o, se maggiore, all'Importo Nozionale di ciascun Certificato.

(xiv) **Eventi di Turbativa del Regolamento:** nel caso di Titoli Con Consegna Fisica, qualora si verifichi o persista un Evento di Turbativa del Regolamento alla Data di Regolamento od alla Data di Rimborso, a seconda dei casi, il regolamento sarà rinviato fino al successivo Giorno Lavorativo di Regolamento in relazione al quale non vi sia alcun Evento di Turbativa del Regolamento. In queste circostanze, il relativo Emittente avrà, salvo nel caso di Titoli statunitensi, il diritto di pagare il Prezzo di Regolamento di Turbativa in Contanti anziché consegnare il Diritto Spettante (*Entitlement*). Il Prezzo di Regolamento di Turbativa in Contanti potrà essere inferiore al giusto valore di mercato del Diritto Spettante, anche pari a zero.

(xv) **Opzione di Variazione del Regolamento:** gli Emittenti possono avere il diritto di variare il regolamento dei Titoli (i) consegnando o provvedendo alla consegna del Diritto Spettante anziché effettuare il pagamento dell'Importo del Regolamento in Contanti o, a seconda dei casi, (ii) effettuando il pagamento dell'Importo del Regolamento in Contanti invece di consegnare o provvedere alla consegna del Diritto Spettante.

(xvi) **Opzione di Sostituzione di Attività o di Pagamento dell'Importo del Regolamento in Contanti Alternativo:** gli Emittenti possono, qualora una Attività Rilevante comprenda beni non liberamente negoziabili, decidere (i) di sostituire una Attività Sostitutiva all'Attività Rilevante o (ii) di non consegnare o provvedere alla consegna del Diritto Spettante o dell'Attività Sostitutiva, e invece effettuare il pagamento, alla Data di Regolamento, dell'Importo del Regolamento in Contanti Alternativo.

(xvii) **Certificati Soggetti a Rimborso Facoltativo o Cancellazione:** un'opzione di rimborso od altra disposizione di rimborso anticipato è suscettibile di limitare il valore di mercato dei Certificati. Nel caso di Certificati aventi un'opzione di rimborso, prima o durante il periodo in cui il relativo Emittente può scegliere di rimborsare tali Certificati, il valore di mercato di tali Certificati generalmente non aumenterà in maniera significativa al di sopra del prezzo al quale gli stessi possono essere rimborsati. Le Condizioni Definitive possono prevedere che i relativi Certificati siano rimborsati anticipatamente in circostanze specifiche. A seguito di un rimborso facoltativo o anticipato, un Titolare può non essere in grado di reinvestire i proventi del rimborso ad un tasso di interesse effettivo alto quanto il tasso di interesse relativo ai Certificati oggetto del rimborso e può essere soltanto in grado di effettuare tale reinvestimento ad un tasso notevolmente più basso. I potenziali investitori sono invitati a considerare il rischio di reinvestimento alla luce degli altri investimenti disponibili in tale momento.

(xviii) **Interessi legati ad una formula: potrà non essere pagabile alcun Importo di Interessi ad una Data di Pagamento degli Interessi:** qualora un importo di interessi sia pagabile in relazione a un Certificato, gli investitori possono non avere diritto di ricevere tale importo di interessi alle date rilevanti in certe circostanze specifiche indicate come tali nelle Condizioni Definitive.

(xix) **Interessi legati ad un Fattore Rilevante:** Il relativo Emittente può emettere Certificati con interessi determinati con riferimento ad un Fattore Rilevante e/o pagabili in una valuta diversa da quella in cui sono denominati i Certificati e:

- (a) il prezzo di mercato di tali Certificati può essere volatile;
- (b) il pagamento degli interessi può essere effettuato in un momento o in una valuta diversi da quelli previsti;
- (c) un Fattore Rilevante può essere soggetto a notevoli oscillazioni che possono non essere correlate a mutamenti dei tassi di interesse, valute o altri indici;
- (d) qualora sull'esposizione ad un Fattore Rilevante sia esercitato un qualsiasi effetto di leva, l'effetto dei mutamenti del Fattore Rilevante sugli interessi pagabili sarà amplificato;

- (e) la tempistica dei mutamenti di un Fattore Rilevante può incidere sul rendimento effettivo degli investitori, anche se il livello medio è conforme alle loro aspettative; e
 - (f) gli interessi possono essere pagabili e/o calcolati soltanto in relazione a certi specifici giorni e/o periodi in cui o durante i quali il Fattore Rilevante o il suo valore sono pari, superiori e/o inferiori a certe soglie specifiche.
- (xx) **Cadenza delle Date di Osservazione:** importi, formule ed altre disposizioni relative ai Titoli possono essere calcolati con riferimento a Date di Osservazione specifiche e che possono essere rinviate al verificarsi di certi eventi. La cadenza di tali date può incidere sul valore dei Titoli al punto che il Titolare può ricevere un Importo del Regolamento in Contanti, Importo di Interessi o altro importo inferiori rispetto a quelli che avrebbe altrimenti ricevuto.
- (xxi) **Limitata Esposizione al Riferimento Sottostante:** qualora l'esposizione dei Titoli ad uno o più Sottostanti di Riferimento sia limitata o fissata fino ad un certo livello o importo massimo, i relativi Titoli non beneficeranno di alcun aumento di valore di tali Sottostanti di Riferimento oltre tale limite o soglia.
- (xxii) **L'Importo del Regolamento in Contanti Finale o l'Importo del Rimborso Possono Essere Notevolmente Inferiori al Valore di un Investimento nei Titoli:** ciascun Titolare può ricevere un Importo del Regolamento in Contanti o Importo del Rimborso e/o consegna fisica di titoli specifici unitamente ad importi in contanti per arrotondamenti. Il valore complessivo di tali titoli specifici ed importi in contanti può essere considerevolmente inferiore al valore dell'investimento del Titolare nei Titoli.
- (xxiii) **Informazioni Post-emissione:** le Condizioni Definitive applicabili possono specificare che il relativo Emittente non fornisca informazioni post-emissione in relazione al Sottostante di Riferimento.
- (xxiv) **Limitazioni all'Esercizio dei Warrant:** l'Emittente può avere l'opzione di limitare il numero di Warrant esercitabili ad una qualsiasi data (salvo la data di esercizio finale) al numero massimo specificato nelle Condizioni Definitive e di limitare il numero di Warrant esercitabili da un qualsiasi soggetto o gruppo di soggetti in tale data.
- (xxv) **Importo Minimo di Esercizio dei Warrant:** ad un Titolare può essere richiesto di presentare o detenere un numero specifico di Warrant al fine di esercitarli. I Titolari che detengono un numero di Warrant inferiore al numero minimo specificato dovranno vendere i propri Warrant od acquistare ulteriori Warrant, sostenendone in ogni caso i costi, per realizzare il proprio investimento. I Titolari di tali Warrant corrono il rischio che vi siano differenze tra il prezzo di

negoziazione di tali Warrant e l'Importo del Regolamento in Contanti o il Valore di Regolamento Fisico di tali Warrant.

(xxvi) **Intervallo di Tempo Successivo all'Esercizio dei Warrant:** nel caso di un esercizio di Warrant, vi sarà un intervallo di tempo tra il momento in cui un titolare comunica le istruzioni di esercizio ed il momento in cui è determinato l'Importo del Regolamento in Contanti applicabile relativo a tale esercizio. L'Importo del Regolamento in Contanti applicabile può cambiare considerevolmente nel corso di tale periodo e tale cambiamento potrebbe ridurre l'Importo del Regolamento in Contanti dei Warrant e portare tale Importo del Regolamento in Contanti ad un valore pari a zero.

(xxvii) **Fattori di Rischio relativi a prodotti con accesso al mercato:** i Titoli sono strutturati come un prodotto con accesso al mercato, cosicché le obbligazioni dell'Emittente possono essere coperte tramite uno o più Indici, Azioni, Quote o unità di Fondi o altro strumento utilizzato per coprire le obbligazioni. I rischi economici e di altro tipo associati a tali strumenti saranno assunti dai potenziali acquirenti dei Titoli. I Titoli non sono Titoli a capitale protetto o garantito e non può essere fornita alcuna garanzia quanto alla liquidità di alcun mercato per la loro negoziazione; gli acquirenti sono invitati a prendere conoscenza del fatto che la probabilità del verificarsi di un evento di Turbativa della Copertura e la conseguente perdita di capitale o di utili può essere più elevata per certi mercati in via di sviluppo od emergenti.

(xxviii) **Altre rettifiche:** l'Emittente ha il diritto di apportare altre rettifiche ai termini dei Titoli, come più dettagliatamente descritto nelle Condizioni.

Titoli

I Titoli possono essere emessi come Titoli su indici ("**Titoli su Indici**"), Titoli su azioni ("**Titoli su Azioni**"), Titoli su GDR (ricevute di deposito globali) ("**Titoli GDR**"), Titoli di debito ("**Titoli di Debito**"), Titoli legati alla valuta ("**Titoli su Valuta**"), Titoli legati a *Commodities* ("**Titoli su Commodities**"), Titoli legati all'indice di inflazione ("**Titoli Legati all'Indice di Inflazione**"), Titoli legati a fondi ("**Titoli su Fondi**"), Titoli legati al credito ("**Titoli Credit-Linked**") o qualsiasi altro od ulteriore tipo di warrant o di certificato, inclusi Titoli ibridi ("**Titoli Ibridi**") dove il Sottostante di Riferimento può essere una qualsiasi combinazione di tali indici, azioni, debito, valuta, *commodities*, indici di inflazione, quote o unità di fondi, il credito di soggetti terzi specifici o altre classi o tipi di attività.

Quotazione ed ammissione alla negoziazione

I Titoli di una particolare Serie possono essere quotati ed ammessi alla negoziazione sulla Borsa del Lussemburgo o su altre o ulteriori borse valori specificate nelle Condizioni Definitive applicabili ed i riferimenti alla quotazione saranno interpretati di conseguenza.

Restrizioni alla Vendita

Esistono restrizioni alla vendita dei Titoli ed alla distribuzione del materiale

di offerta – si veda la rubrica “*Offerta e Vendita*”.

Status dei Titoli e Garanzia

I Titoli sono obbligazioni non subordinate e non assistite da garanzie reali dell’Emittente e concorrono *pari passu* tra loro.

Qualora l’Emittente sia BNPP B.V., la relativa Garanzia è un’obbligazione non subordinata e non assistita da garanzie reali (*unsecured*) di BNPP ed avrà lo stesso grado di priorità rispetto a tutte le sue altre obbligazioni non subordinate e non assistite da garanzie reali (*unsecured*), salvo le eccezioni di volta in volta obbligatorie ai sensi della legge francese.

Regime fiscale

Un titolare di Titoli è tenuto a pagare tutte le spese specificate in relazione ai Titoli stessi.

Né l’Emittente, né il Garante saranno responsabili o altrimenti tenuti a pagare alcuna tassa, imposta, ritenuta o ad effettuare altri pagamenti che possano derivare dalla proprietà, dall’esercizio dei relativi diritti, dal trasferimento o dall’esercizio di un Titolo e tutti i pagamenti effettuati dal relativo Emittente o Garante saranno effettuati subordinatamente a tale tassa, imposta, ritenuta o altro pagamento che debbano essere effettuati, pagati, ricevuti o detratti..

Legge Applicabile

I Titoli ed ogni relativa Garanzia saranno disciplinati dalla legge inglese o francese, come specificato nelle Condizioni Definitive applicabili.