AVVISO n.12805	10 Agosto 2010	SeDeX − INV. CERTIFICATES

Mittente del comunicato	:	Borsa Italiana
Societa' oggetto dell'Avviso	:	BNP PARIBAS ARBITRAGE ISSUANCE
Oggetto	:	Inizio negoziazione 'Investment Certificates − Classe B' 'BNP PARIBAS ARBITRAGE ISSUANCE'

Testo del comunicato

Si veda allegato.

Disposizioni della Borsa

Strumenti finanziari:	**5,000 "Athena Phoenix European Blue Chips" EUR Securities linked to 6 Shares (Total, Nokia, Telecom Italia, Rio Tinto, Anglo American, ING Groep) due 16 May 2016**
Emittente:	BNP PARIBAS ARBITRAGE ISSUANCE
Garante:	BNP Paribas

Rating Emittente:

Società di rating	Long term	Data report
Moody's	Aa1	16/01/2009
Standard & Poor's	AA	28/01/2009
Fitch	AA	03/02/2009

Oggetto:	**INIZIO NEGOZIAZIONI IN BORSA**
Data di inizio negoziazioni:	**11/08/2010**
Mercato di quotazione:	Borsa - Comparto SEDEX “Investment Certificates - Classe B”
Orari e modalità di negoziazione:	Negoziazione continua e l’orario stabilito dall’art. IA.5.1.5 delle Istruzioni
Operatore incaricato ad assolvere l’impegno di quotazione:	Intermonte SIM S.p.A. Member ID Specialist: MM3357

CARATTERISTICHE SALIENTI DEI TITOLI OGGETTO DI QUOTAZIONE

5,000 "Athena Phoenix European Blue Chips" EUR Securities linked to 6 Shares (Total, Nokia, Telecom Italia, Rio Tinto, Anglo American, ING Groep) due 16 May 2016

Tipo di liquidazione:	monetaria
Modalità di esercizio:	europeo

Modalità di negoziazione:	Per gli Strumenti Finanziari, Borsa Italiana disporrà la data di negoziazione ex-diritto al pagamento dell'importo periodico ("Periodic Amount") a decorrere dal secondo giorno di mercato aperto successivo alla data di rilevazione ("Premium Amount Valuation Date"). Pertanto gli strumenti finanziari negozieranno cum-diritto per tutto il giorno di mercato aperto successivo alla data di rilevazione.

DISPOSIZIONI DELLA BORSA ITALIANA

Dal giorno 11/08/2010, gli strumenti finanziari "5,000 "Athena Phoenix European Blue Chips" EUR Securities linked to 6 Shares (Total, Nokia, Telecom Italia, Rio Tinto, Anglo American, ING Groep) due 16 May 2016" (vedasi scheda riepilogativa delle caratteristiche dei securitised derivatives) verranno inseriti nel Listino Ufficiale, sezione Securitised Derivatives.

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

Num. Serie	Codice Isin	Local Market TIDM	TIDM	Short Name	Long Name	Sottostante	Data Scadenza	Valore Nominale	Quantità	Lotto Negoziazione	EMS	Rebate
1	NL0009418722	P18722	X64E	P18722TNTRAIXP	BPATNTRAICCPXPAQE120516	TOTAL/NOKIA/TELECOM ITA/RIO TINTO/ANGLO AM/ING	12/05/16	1000	5000	1	3	4,5

For listing purposes

FINAL TERMS DATED 4 AUGUST 2010

BNP Paribas Arbitrage Issuance B.V.

(incorporated in The Netherlands)

(as Issuer)

BNP Paribas

(incorporated in France)

(as Guarantor)

Warrant and Certificate Programme

5,000 "Athena Phoenix European Blue Chips" EUR Securities linked to 6 Shares (Total, Nokia, Telecom Italia S.p.A., Rio Tinto, Anglo American and ING Groep N.V.) due 16 May 2016

ISIN Code: NL0009418722

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

The Securities have been offered to the public in the Republic of Italy from 30 March 2010 to 19 May 2010

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 3 June 2010 which constitutes a base prospectus for the purposes of Directive 2003/71/EC (the "Prospectus Directive"). The Base Prospectus dated 3 June 2010 has been passported into Italy in compliance with Article 18 of the Prospectus Directive. This document constitutes the Final Terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on BNP Paribas Arbitrage Issuance B.V. (the "Issuer") and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing on the Netherlands Authority for the Financial Markets' (Autoriteit Financiële Markten - AFM) website www.afm.nl. and copies may be obtained free of charge at BNP Paribas Securities Services, Milan Branch, Via Ansperto, 5-20123, Milano, Italy.

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

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

The reference to Issue Price is not an expression of market value and does not imply that transactions in the market will not be executed at prices above or below such Issue Price to reflect prevailing market conditions.

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

SPECIFIC PROVISIONS FOR EACH SERIES

Series Number	No. of Certificates issued	No. of Certificates	ISIN Code	Common Code	Issue Price per Certificate	Redemption Date
CE101MAV	5,000	5,000	NL0009418722	049779119	EUR 1,000	16 May 2016

The Redemption Date shall be subject to adjustments in accordance with the Following Business Day Convention.

GENERAL PROVISIONS

The following terms apply to each series of Certificates:

3.	Trade Date:	19 May 2010
4.	Issue Date:	26 May 2010
5.	Consolidation:	Not applicable.
6.	Type of Securities:	(a) Certificates (b) The Securities are Share Securities. (b) The Certificates are "Athena Phoenix European Blue Chips " EUR Certificates. Automatic Exercise applies on the Exercise Date. The Exercise Date is 12 May 2016 or if such day is not a Business Day, the immediately subsequent Business Day. The Exercise Date will be subject to the same adjustments provided for the Redemption Valuation Date. For the purposes of Borsa Italiana, the Exercise Date shall be deemed to be also the maturity date, i.e. the date in which the Certificates expire. The provisions of Annex 2 (*Additional Terms and Conditions for Share Securities*) shall apply.
7.	Form of Securities:	Italian Dematerialised Securities.
8.	Business Day Centre(s):	The applicable Business Day Centre for the purposes of the definition of "Business Day" in Condition 4 is TARGET.
9.	Settlement:	Settlement will be by way of cash payment (**Cash Settled Securities**).
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 Securities.
	(b) Variation of Settlement of Physical Delivery Securities:	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.	Syndication:	The Securities have been distributed on a non-syndicated basis.
16.	Minimum Trading Size:	The minimum trading size will be established by the Italian Stock Exchange with the notice communicating the first day of trading.
17.	Principal Security Agent:	BNP Paribas Securities Services, Milan Branch.
18.	Registrar:	Not applicable.
19.	Calculation Agent:	BNP Paribas Arbitrage SNC, 8 rue de Sofia, 75018 Paris, France.
20.	Governing law:	English law.
21.	Special conditions or other modifications to the Terms and Conditions:	**Minimum exercise number of Securities:** The minimum number of Securities that may be exercised by the Holder is (1) one Security and in excess thereof by multiples of (1) one Security. **Trading Code of Borsa Italiana** is **P18722** ***Condition 6 (General)*** *The following shall be deemed to be added at the end of the first paragraph of Condition 6 (General):* "unless such errors or omissions are due to its own wilful misconduct or gross negligence" ***Condition 7 (Illegality and Force Majeure):*** *The following shall be deemed to be deleted from Condition 7.1 (Illegality):* "less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements". *The following shall be deemed to be deleted from Condition 7.2 (Force Majeure):* "less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements". ***Condition 13 - Substitution of the Issuer or the Guarantor*** *Condition 13 (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 15 – Additional Disruption Events and Optional Additional Disruption Events*** *The following shall be deemed to be deleted from Condition 15 (Additional Disruption Events) and Optional Additional Disruption*

Events) (2) (c) (i):

"less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements (unless otherwise provided in the relevant Final Terms)".

The following shall be deemed to be deleted from Condition 15 (Additional Disruption Events) and Optional Additional Disruption Events) (2) (c) (ii):

"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 Condition 15 (Additional Disruption Events and Optional Additional Disruption Events) (2)

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

ANNEX 2 (Additional Terms and Conditions for Share Securities)

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

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

The following shall be deemed to be deleted from Paragraph (4) (2), (d) (i) and (ii):

"less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements".

The Securities have been offered to the public in the Republic of Italy from 30 March 2010 to 19 May 2010. The offer was made on the basis of the Final Terms dated 30 March 2010, under the base prospectus "*Warrant and Certificate Programme*", approved on 4 June 2009 by the AFM and passported into Italy by means of communication to CONSOB dated 4 June 2009, in compliance with Article 18 of the Prospectus Directive, as supplemented. Therefore, the Conditions applicable to the Securities are the Conditions set forth in the sections entitled "Terms and Conditions of the Certificates" and "Annex 2-Additional Terms and Conditions for Share Certificates" of the base prospectus dated 4 June 2009, as supplemented, as completed and modified by the Final Terms dated 30 March 2010 attached hereto as Annex B.

PRODUCT SPECIFIC PROVISIONS

22.	Index Securities:	Not applicable.

23. Share Securities: Applicable.

(a) Share(s)/ Share Company/ Basket Company/GDR/ADR: The Securities relate to a basket of 6 shares (each **Underlying Share**^{i}) (the **Basket of Shares**) as described in the table below.

For the purposes of the Conditions each Underlying Share^{i} shall be deemed a Share.

i	Share Company	Underlying Share^{i}		Share Currency	Share$^{i}_{Initial}$	Exchange
		Bloomberg Code	ISIN Code			
1	Total	FP FP	FR0000120271	EUR	EUR 37.595	Nyse-Euronext Paris
2	Nokia	NOK1V FH	FI0009000681	EUR	EUR 8.27	Helsinki Stock Exchange
3	Telecom Italia S.p.A.	TIT IM	IT0003497168	EUR	EUR 0.9255	Italian Stock Exchange
4	Rio Tinto	RIO LN	GB0007188757	GBpence	GBp 3,064.5	London Stock Exchange
5	Anglo American	AAL LN	GB00B1XZS820	GBpence	GBp 2,588	London Stock Exchange
6	ING Groep N.V.	INGA NA	NL0000303600	EUR	EUR 6.186	Nyse-Euronext Amsterdam

(b) Relative Performance Basket: Applicable.

(c) Share Currency: See table above.

(d) Exchange(s): See table above.

(e) Related Exchange(s): All Exchanges.

(f) Exchange Business Day: All Share Basis.

(g) Scheduled Trading Day: All Share Basis.

(h) Weighting: Not applicable.

(i) Settlement Price: The Settlement Price will be calculated on the basis of the official closing price of the Share^{i} as determined and published by the Exchange, except for the Shares of Telecom Italia S.p.A, for which the Settlement Price will be calculated on the basis of the Reference Price, as determined and published by Borsa Italiana.

(j) Disrupted Day: If any Automatic Early Redemption Valuation Date or Redemption Valuation Date is a Disrupted Day, the Settlement Price will be calculated on the basis of the provisions contained in Condition 4.

(k) Specified Maximum Days of Disruption: Three (3) Scheduled Trading Days.

(l) Valuation Time: The Valuation Time will be (i) with reference to the Redemption Valuation Date, the time when the official Closing Price of the Underlying Share^{i} is determined by the Exchange, except for the Shares of Telecom Italia S.p.A., for which the Valuation Time will

	be the time when the Reference Price is determined by Borsa Italiana; (ii) with reference to Automatic Early Redemption Valuation Date$_t$, the time when the official Closing Price of the Underlying Share^i is determined by the Exchange, except for the Shares of Telecom Italia S.p.A, for which the Valuation Time will be the time when the closing auction price is calculated by Borsa Italiana
(m) Knock-in Event:	Not applicable.
(n) Knock-out Event:	Not applicable.
(o) Automatic Early Redemption Event:	Applicable.
(i) Automatic Early Redemption Amount:	An Automatic Early Redemption Event shall be deemed to occur if on the Automatic Early Redemption Valuation Date$_t$ the official Closing Price of each Underlying Share^i is greater than its Automatic Early Redemption Price: **N x [100%]** *Otherwise, no Automatic Early Redemption Event will occur* *Where:* **N** is the Notional Amount of each Certificate (see § 35 (a)); **t** is a number running from 1 to 11 representing the Automatic Early Redemption Valuation Date in respect of which the Automatic Early Redemption Event has occurred; **Closing Price** is the Settlement Price provided that the corresponding definition of "Settlement Price" shall apply as if references to "Valuation Date" were to "Automatic Early Redemption Valuation Date".
(ii) Automatic Early Redemption Date(s):	26 November 2010 (t=1), 26 May 2011 (t=2), 14 November 2011 (t=3),28 May 2012 (t=4), 26 November 2012 (t=5), 27 May 2013 (t=6), 26 November 2013 (t=7), 26 May 2014 (t=8), 26 November 2014 (t=9), 26 May 2015 (t=10) 26 November 2015 (t=11).
(iii) Automatic Early Redemption Price:	100% x Share$^i_{Initial}$.
(iv) Automatic Early Redemption Rate:	Not applicable.
(v) Automatic Early Redemption Valuation Date(s):	12 November 2010 (t=1), 12 May 2011 (t=2), 31 October 2011 (t=3), 14 May 2012 (t=4), 12 November 2012 (t=5), 13 May 2013 (t=6), 12 November 2013 (t=7), 12 May 2014 (t=8), 12 November 2014 (t=9), 12 May 2015 (t=10) and 12 November 2015 (t=11).

	(p) Delayed Redemption on the Occurrence of an Extraordinary Event:	Not applicable.
	(q) Share Correction Period:	As per Conditions.
	(r) Dividend Payment:	Not applicable.
	(s) Listing Change:	Not applicable.
	(t) Listing Suspension:	Not applicable.
	(u) Illiquidity:	Not applicable.
	(v) Tender Offer:	Applicable.
	(w) Other terms or special conditions:	Not applicable.
24.	ETI Securities:	Not applicable.
25.	Debt Securities:	Not applicable.
26.	Commodity Securities:	Not applicable.
27.	Inflation Index Securities:	Not applicable.
28.	Currency Securities:	Not applicable.
29.	Fund Securities:	Not applicable.
30.	Market Access Securities:	Not applicable.
31.	Futures Securities:	Not applicable.
32.	Credit Securities:	Not applicable.
33.	Optional Additional Disruption Events:	(a) The following Optional Additional Disruption Events apply to the Certificates: Insolvency Filing. (b) Condition 16(B) (Additional Definitions): Not applicable. (c) Delayed Redemption on the Occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event: Not applicable.
34.	Provisions relating to Warrants:	Not applicable.
35.	Provisions relating to Certificates:	Applicable.
	(a) Notional Amount of each Certificate:	EUR 1,000
	(b) Partly Paid Certificates:	The Certificates are not Partly Paid Certificates.
	(c) Interest:	Not applicable. The Certificates pay a Premium Amount as provided in the

	Schedule 1 hereto.
(d) Fixed Rate Provisions:	Not applicable.
(e) Floating Rate Provisions:	Not applicable.
(f) Index Linked Interest Certificates:	Not applicable.
(g) Share Linked Interest Certificates:	Not applicable.
(h) ETI Linked Interest Certificates:	Not applicable.
(i) Debt Linked Interest Certificates:	Not applicable.
(j) Commodity Linked Interest Certificates:	Not applicable.
(k) Inflation Index Linked Interest Certificates:	Not applicable.
(l) Currency Linked Interest Certificates:	Not applicable.
(m) Fund Linked Interest Certificates:	Not applicable.
(n) Futures Linked Interest Certificates:	Not applicable.

PROVISIONS RELATING TO REDEMPTION AND VALUATION ON REDEMPTION

(o) Instalment Certificates:	The Certificates are not Instalment Certificates.
(p) Issuer Call Option:	Not applicable.
(q) Holder Put Option:	Not applicable.

PROVISIONS RELATING TO VALUATION ON REDEMPTION

(r) Cash Settlement Amount:

Unless previously redeemed according to Item 25 (o) or purchased and cancelled by the Issuer, the Holder shall receive on the Redemption Date, in respect of each Certificate, payment of a Cash Settlement Amount in accordance with the following provisions:

1) If on Redemption Valuation Date, $Share^{i}_{(Final)}$ is greater than 50% of $Share^{i}_{(Initial)}$:

N x [100% +4.5%]

2) Otherwise:

N x 100% + N x 2 * min (0%, 50% + Worst-Performance)

Where:

N is the Notional Amount of each Certificate (see § 35 (a));

Worst-Performance is calculated as follows:

$$Min_{i=1}^{6}\left(\frac{Share^{i}_{Final}}{Share^{i}_{Initial}}-1\right)$$

Share$^{i}_{Final}$ is the official Closing Price of each Underlying Share^{i} on the Redemption Valuation Date, except for the Shares of Telecom Italia S.p.A., for which is the Reference Price of the Underlying Share^{i} on the Redemption Valuation Date;

Share$^{i}_{Initial}$ is the official Closing Price of each Underlying Share^{i} on the Strike Date except for the Shares of Telecom Italia S.p.A., for which is the closing auction price of the Underlying Share on the Strike Date; and is specified in the table set out in §23;

For the Shares of Telecom Italia S.p.A., **Reference Price** is the "*Prezzo di Riferimento*" as defined by Borsa Italiana.

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 not later than the Renouncement Notice Cut-off Time (as defined in § 35(s)) 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 before the Renouncement Notice Cut-off Time (as defined in § 35(s)), the Cash Settlement Amount shall be paid automatically by the Issuer on the Redemption Date.

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

(s) Renouncement Notice Cut-off Time

5:00 pm on the Scheduled Trading Day following the Redemption Valuation Date, except for the Shares of Telecom Italia S.p.A., for which is 10.00 a.m. (Milan Time) on the Exercise Date.

(t) Strike Date:

14 May 2010

(u) Redemption Valuation Date:

The Exercise Date, except for the Shares of Telecom Italia S.p.A., for which is the Scheduled Trading Day preceding the Exercise Date.

	(v) Averaging:	Averaging does not apply to the Certificates.
	(w) Observation Dates:	Not applicable.
	(x) Observation Period:	Not applicable.
	(y) Settlement Business Day:	Not applicable.
	(z) Cut-off Date:	Not applicable.

DISTRIBUTION AND US SALES ELIGIBILITY

36	Selling Restrictions:	As described in the Base Prospectus.
	(a) Eligibility for sale of Securities in the United States to AIs:	The Securities are not eligible for sale in the United States to AIs.
	(b) Eligibility for sale of Securities in the United States to QIBs within the meaning of rule 144A:	The Securities are not eligible for sale in the United States under Rule 144A to QIBs.
	(c) Eligibility for sale of Securities in the United States to QIBs within the meaning of Rule 144A who are also QPs within the meaning of the Investment Company Act:	The Securities are not eligible for sale in the United States who are QIBs and QPs.
37	Additional U.S. Federal income tax consequences:	Not applicable.
38.	Registered broker/dealer:	Not applicable.
39.	Non exempt Offer:	Not applicable.

Purposes of Final Terms

These Final Terms comprise the final terms required for admission to trading on the electronic "Securitised Derivatives Market" (the "**SeDeX**") of the Italian Stock Exchange of the Certificates described herein pursuant to the BNP Paribas, BNP Paribas Arbitrage Issuance B.V. Warrant and Certificate Programme.

Responsibility

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

Arnaud DELACROIX

By: .....Duly authorised

PART B – OTHER INFORMATION

1. Listing and Admission to trading:

Application has been made to list the Securities on the Italian Stock Exchange and to admit the Securities described herein for trading on the electronic "Securitised Derivatives Market" (the "**SeDeX**"), organised and managed by Borsa Italiana S.p.A.

2 Ratings

The Securities to be issued have not been rated.

The rating of the Guarantor is Aa2 from Moody's and AA from Standard and Poor's

As defined by Moody's an "Aa" rating means that the obligations of the Issuer and the Guarantor under the Programme are of high quality and are subject to very low credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 2 indicates a mid-range ranking. As defined by Standard & Poor's, an "AA" rating means that the relevant Issuer and Guarantor's capacity to meet its financial commitment under the Securities is very strong

3 Risk Factors

As described in the Base Prospectus.

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

The "Athena Phoenix European Blue Chips" Security is a EUR denominated Security with a 6 year maturity.

The Security is a non capital guaranteed structure. It may be automatically early redeemed at least at par pursuant to the provisions detailed in § 23 (o).

If neither early redeemed nor purchased and cancelled, the Security offers the possibility to receive on the Redemption Date a Redemption Amount pursuant to the provisions detailed in § 35 (r).

During the secondary market period, the price of the Securities will depend upon market conditions and may be subject to significant fluctuations. If the Securities are sold, before the Redemption Date, there is a probability that the investor will suffer a loss of its investment.

There is a risk of partial or total capital loss, and therefore an investment in the Securities is highly speculative, involving significant risk, including the possible loss of the entire amount invested, and should therefore only be considered by persons who can afford a loss of their entire investment.

Details of historic performance of the Underlying can be obtained from Reuters.

Name of the issuer of the underlying security:

Total

Total SA explores for, produces, refines, transports, and markets oil and natural gas. The Company also operates a chemical division which produces polypropylene, polyethylene, polystyrene, rubber, paint, ink, adhesives, and resins. Total operates gasoline filling stations in Europe, the United States, and Africa.

Address:

2 place Jean Millier La défense 6
92400 Courbevoie
France

Website: www. total.com

Nokia

Nokia Corporation is a player in the mobile industry. The Company makes a range of mobile devices with services and software that enable people to experience music, navigation, video, television, imaging, games, business mobility and more. Nokia also provides equipment, solutions and services for communications networks.

Address:

Keilalahdentie 2-4

FI-02150 Espoo

Finland

Website: www.nokia.com

Telecom Italia S.p.A.

Telecom Italia, through subsidiaries, offers fixed line and mobile telephone and data transmission services in Italy and abroad. The Company offers local and long-distance telephone, satellite communications, Internet access, and teleconferencing services.

Address:

Corso Italia 41

10122 Rome

Italy

Website: www.telecomitalia.it

Rio Tinto

Rio Tinto plc is an international mining company. The Company has interests in mining for aluminum, borax, coal, copper, gold, iron ore, lead, silver, tin, uranium, zinc, titanium dioxide feedstock, diamonds, talc and zircon. Rio Tinto's various mining operations are located in Australia, New Zealand, South Africa, the United States, South America, Europe, and Indonesia.

Address :

2 Eastbourne Terrace
London W2 6LG
United Kingdom

Website: www.riotinto.com

Anglo American

Anglo American is a global mining and natural resources company, which has interests in platinum, gold, diamonds, coal, base metals, ferrous metals, and industrial minerals. The Group is geographically diverse, with operations in Africa, Europe, North and South America, Australia, and Asia.

Address :

20 Carlton Terrace
London SW1Y 5 AN
United Kingdom

Website: www.angloamerican.co.uk

ING Groep N.V

ING Groep N.V. offers financial services to individuals, corporations, and other institutions. The Company offers corporate, investment, and private banking services, asset and portfolio management, treasury services, and insurance. ING Groep has offices throughout the world.

Address :

P.O Box 810
1000 AV Amsterdam
The Netherlands

Website : www.ing.com

ISIN Code of the underlying:	See Part A § 23 (a).
Source of information relating to the Underlying	Past and futures performances and volatility of the Shares are notably available on the website of the Share Company and on Bloomberg.
Post-Issuance information	The Issuer does not provide post-issuance information.

5 Operational Information

Relevant Clearing System(s): Monte Titoli.

6 Yield

b. Not applicable.

7 Historic Interest Rates

Not applicable.

8 Renouncement Notice

RENOUNCEMENT NOTICE

(to be completed by the Holder of the Certificate)

BNP Paribas Arbitrage Issuance B.V.

5,000 "Athena Phoenix European Blue Chips" EUR Certificates linked to the 6 Shares (Total, Nokia, Telecom Italia S.p.A., Rio Tinto, Anglo American and ING Groep N.V.) due 16 May 2016

ISIN Code: NL0009418722

(the **Securities**)

To: **BNP Paribas Securities Services, Milan Branch**
Via Ansperto, 5-20123, Milano, Italy
Fax No: (39) 02 72474 444

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

_____

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

(c) Series No. of the Securities:

(d) _____

(e) Number of Securities the subject of this notice:

(f) _____

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

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

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

(j) Place and date:

(k) _____

(l) Signature of the Holder

(m) Name of beneficial owner of the Securities

(n) _____

(o) _____

(p) *Signature*

SCHEDULE 1

DEFINITIONS

For the purposes of the Certificates:

"*Premium Amount*" means, in respect of a Premium Amount Payment Date, the Notional Amount of each Certificate multiplied by 4.5 per cent.;

"*Premium Amount Valuation Dates*" means 12 November 2010 (t=1), 12 May 2011 (t=2), 14 November 2011 (t=3), 14 May 2012 (t=4), 12 November 2012 (t=5), 13 May 2013 (t=6), 12 November 2013 (t=7), 12 May 2014 (t=8), 12 November 2014 (t=9), 12 May 2015 (t=10), and 12 November 2015 (t=11); Provided that if any Premium Amount Valuation Date would otherwise fall on a day which is not a Business Day, such Premium Amount Valuation Date shall be postponed to the next day which is a Business Day;

"*Premium Amount Payment Date*" means 26 November 2010 (t=1), 26 May 2011 (t=2), 28 November 2011 (t=3),28 May 2012 (t=4), 26 November 2012 (t=5), 27 May 2013 (t=6), 26 November 2013 (t=7), 26 May 2014 (t=8), 26 November 2014 (t=9), 26 May 2015 (t=10) and 26 November 2015 (t=11); Provided that if the Premium Amount Payment Date would otherwise fall on a day which is not a Business Day, such Premium Amount Payment Date shall be postponed to the next day which is a Business Day.

"*Premium Amount Payment Condition*" means that if in respect of a Premium Amount Valuation Date, the official Closing Price of each Underlying Share^{i} is greater than 50% of Share$^{i}_{Initial}$, then a Premium Amount will be paid on the corresponding Premium Amount Payment Date; provided however that no Automatic Early Redemption Event (as specified in PART-A § 23 (o) above) has occurred.

"Premium Amount *Record Date*" means 22 November 2010 (t=1), 20 May 2011 (t=2), 22 November 2011 (t=3),22 May 2012 (t=4), 20 November 2012 (t=5), 21 May 2013 (t=6), 20 November 2013 (t=7), 20 May 2014 (t=8), 20 November 2014 (t=9), 20 May 2015 (t=10), 20 November 2015 (t=11) and 20 May 2016 (t=12); Provided that if the Premium Amount Record Date would otherwise fall on a day which is not a Business Day, the Premium Amount Record Date shall be postponed to the next day which is a Business Day.

PREMIUM AMOUNT

(A) *Premium Amount*

Each Notional Amount of Securities pays the Premium Amount on the Premium Amount Payment Date. The Premium Amount payable under the Securities represents an amount payable by the Issuer as compensation for and in recognition of the assumption of the risk that in certain circumstances the Cash Settlement Amount payable on redemption of the Securities may be less than the Issue Price or even zero.

(B) Premium Amounts shall be paid as provided in Condition 33 (*Payments*) to the person who will be the Holder of the Certificates according to the records of Monte Titoli as at the Premium Amount Record Date.

(C) References to "interest" or "Interest" or "Interest Amount" in the second paragraph of Condition 33 (I), Condition 34 (*Prescription (Certificates)*, shall be deleted and replaced by "Premium Amount".

SCHEDULE 2

ITALIAN TAXATION

The following is a summary of current Italian law and practice relating to the taxation of the Securities. The statements herein regarding taxation are based on the laws in force in Italy as at the date of these Final Terms and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities.

Italian taxation of Securities

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident Securityholder is (i) an individual not engaged in an entrepreneurial activity to which the Securities are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Securities are subject to a 12.5% substitute tax (imposta sostitutiva). The recipient may opt for three different taxation criteria:

(1) Under the tax declaration regime (regime della dichiarazione), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Securities are connected, the imposta sostitutiva on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any offsettable capital loss, realised by the Italian resident individual holding the Securities not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Securities carried out during any given tax year. Italian resident individuals holding the Securities not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay imposta sostitutiva on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding the Securities not in connection with an entrepreneurial activity may elect to pay the imposta sostitutiva separately on capital gains realised on each sale or redemption of the Securities (the "risparmio amministrato" regime provided for by Article 6 of the Legislative Decree No. 461 of 21 November 1997, as a subsequently amended, the "Decree No. 461"). Such separate taxation of capital gains is allowed subject to (i) the Securities being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the risparmio amministrato regime being punctually made in writing by the relevant Securityholder. The depository is responsible for accounting for imposta sostitutiva in respect of capital gains realised on each sale or redemption of the Securities (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Securityholder or using funds provided by the Securityholder for this purpose. Under the risparmio amministrato regime, where a sale or redemption of the Securities results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the risparmio amministrato regime, the Securityholder is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised or accrued by Italian resident individuals holding the Securities not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Securities, to an authorised intermediary and have validly opted for the so-called "risparmio gestito" regime (regime provided for by Article 7 of the Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this risparmio gestito regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the risparmio gestito regime, the Securityholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Securityholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, capital gains arising from the Securities will not be subject to *imposta sostitutiva*, but must be included in the relevant Securityholder's income tax return and are therefore subject to Italian corporate tax (and, in certain circumstances, depending on the "status" of the Securityholder, also as a part of the net value of production for IRAP purposes).

Capital gains realised by non-Italian resident Securityholders are not subject to Italian taxation provided that the Securities (i) are transferred on regular markets, or (ii) if not transferred on regular markets, are held outside of Italy.

Atypical securities

In accordance with a different interpretation of current tax law, it is possible that Securities would be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Securities may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Securities and to an Italian resident holder of the Securities which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, (Decree No. 262), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

(i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;

(ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and

(iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

Transfer Tax

Article 37 of Law Decree No 248 of 31 December 2007 ("Decree No. 248"), converted into Law No. 31 of 28 February 2008, published on the Italian Official Gazette No. 51 of 29 February 2008, has abolished the Italian transfer tax, provided for by Royal Decree No. 3278 of 30 December,1923, as amended and supplemented by the Legislative Decree No. 435 of 21 November 1997.

Following the repeal of the Italian transfer tax, as from 31 December 2007 contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarized deeds are subject to fixed registration tax at rate of EUR 168; (ii) private deeds are subject to registration tax only in case of use or voluntary registration.

Payments made by a non-resident Guarantor

With respect to payments made to Italian resident Securityholders by a non-Italian resident guarantor, in accordance with one interpretation of Italian tax law, any such payment made by the Italian non-resident guarantor could be treated, in certain circumstances, as a payment made by the relevant Issuer and would thus be subject to the tax regime described in the previous paragraphs of this section.

EU Savings Directive

Under EC Council Directive 2003/48/EC (**EU Savings Directive**) on the taxation of savings income, Member States, including Belgium from 1 January 2010, are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State.. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to impose a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland).

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the EU Savings Directive, which included the Commission's advice on the need for changes to the Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above.

Implementation in Italy of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 ("Decree No. 84"). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

FINAL TERMS DATED 30 MARCH 2010

BNP Paribas Arbitrage Issuance B.V.

(incorporated in The Netherlands)

(as Issuer)

BNP Paribas

(incorporated in France)

(as Guarantor)

Warrant and Certificate Programme

Up to 20,000 "Athena Phoenix European Blue Chips" EUR Certificates linked to 6 Shares (Total, Nokia, Telecom Italia S.p.A., Rio Tinto, Anglo American and ING Groep N.V.) due 16 May 2016

ISIN Code: NL0009418722

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

The Certificates are offered to the public in the Republic of Italy from 30 March 2010 to 7 May 2010

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Certificates in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Certificates. Accordingly any person making or intending to make an offer of the Certificates may only do so:

(i) in circumstances in which no obligation arises for the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or

(ii) in those jurisdictions mentioned in Paragraph 65 of Part A below, provided such person is one of the persons mentioned in Paragraph 65 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Manager has authorised, nor do they authorise, the making of any offer of Certificates in any other circumstances

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions and "Annex 2-Additional Terms and Conditions for Share Certificates" set forth in the Base Prospectus dated 4 June 2009, the First Supplement to the Base Prospectus dated 13 August 2009, the Second Supplement to the Base Prospectus dated 12 October 2009, the Third Supplement to the Base Prospectus dated 17 November 2009 and the Fourth Supplement to the Base Prospectus dated 2 March 2010 which together constitute a base prospectus for the purposes of Directive 2003/71/EC (the "Prospectus Directive"). The Base Prospectus dated 4 June 2009, the First Supplement to the Base Prospectus dated 13 August 2009, the Second Supplement to the Base Prospectus dated 12 October 2009, the Third Supplement to the Base Prospectus dated 17 November 2009 and the Fourth Supplement to the Base Prospectus dated 2 March 2010 have been passported into Italy in compliance with Article 18 of the Prospectus Directive. This document constitutes the Final Terms of the Certificates 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 Certificates is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus and any Supplement thereto are available for viewing on the Netherlands Authority for the Financial Markets' (Autoriteit Financiële Markten - AFM) website www.afm.nl. and copies may be obtained free of charge at BNP Paribas Securities Services, Milan Branch, Via Ansperto, 5-20123, Milano, Italy.

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

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

The reference to Issue Price is not an expression of market value and does not imply that transactions in the market will not be executed at prices above or below such Issue Price to reflect prevailing market conditions.

Due to the publishing of the Audited 2009 Annual Report of BNPP B.V and the Audited Consolidated Financial Statements of BNP Paribas, a new Supplement will be prepared.

Such Supplement when duly approved and passported into Italy will be available for downloading at the following website's address: http://www.prodottidiborsa.com

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

SPECIFIC PROVISIONS FOR EACH SERIES

Series Number	No. of Certificates issued	No. of Certificates	ISIN Code	Common Code	Issue Price per Certificate	Redemption Date
CE101MAV	Up to 20,000	Up to 20,000	NL0009418722	049779119	EUR 1,000	16 May 2016

The Redemption Date shall be subject to adjustments in accordance with the Following Business Day Convention.

GENERAL PROVISIONS

The following terms apply to each series of Certificates:

3.	Trade Date:	7 May 2010
4.	Issue Date:	14 May 2010
5.	Consolidation:	Not applicable.
6.	Type of Certificates:	(a) The Certificates are Share Certificates. (b) The Certificates are "Athena Phoenix European Blue Chips " EUR Certificates. Automatic Exercise applies on the Exercise Date. The Exercise Date is 3 May 2016 or if such day is not a Business Day, the immediately subsequent Business Day. The Exercise Date will be subject to the same adjustments

		provided for the Redemption Valuation Date. For the purposes of Borsa Italiana, the Exercise Date shall be deemed to be also the maturity date, i.e. the date in which the Certificates expire. The provisions of Annex 2 (*Additional Terms and Conditions for Share Certificates*) shall apply.
7.	Form of Certificates:	Italian Dematerialised Certificates.
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 Certificates**).
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 Certificates.
	(b) Variation of Settlement of Physical Delivery Certificates:	Not applicable.
11.	Relevant Asset(s):	Not applicable.
12.	Entitlement:	Not applicable.
13.	Instalment Certificates:	The Certificates are not Instalment Certificates.
14.	Partly Paid Certificates:	The Certificates are not Partly Paid Certificates.
15.	Exchange Rate:	Not applicable.
16.	Settlement Currency:	The settlement currency for the payment of the Cash Settlement Amount is Euro ("**EUR**")
17.	Notional Amount of each Certificate:	EUR 1,000.
18.	Syndication:	The Certificates will be distributed on a non-syndicated basis.
19.	Minimum Trading Size:	The minimum trading size will be established by the Italian Stock Exchange with the notice communicating the first day of trading.
20.	Principal Certificate Agent:	BNP Paribas Securities Services, Milan.
21.	Calculation Agent:	BNP Paribas Arbitrage SNC, 8 rue de Sofia, 75018 Paris, France.
22.	Governing law:	English law.
23.	Special conditions or other modifications to the Terms and Conditions:	**Minimum exercise number of Certificates:** The minimum number of Certificates that may be exercised by the Holder is (1) one Certificate and in excess thereof by multiples of (1) one Certificate. **Trading Code of Borsa Italiana** is **P18722** ***Condition 7(E) -Rights of Holders and Calculations***

The following shall be deemed to be added at the end of the first paragraph of Condition 7(E)(Rights of Holders and Calculations):

"unless such errors or omissions are due to its own wilful misconduct or gross negligence"

Condition 8 (Illegality and Force Majeure):

The following shall be deemed to be deleted from Condition 8 (Illegality and Force Majeure):

"less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (unless otherwise provided in the relevant Final Terms)".

Condition 14 - Substitution of the Issuer or the Guarantor

Condition 14 (B) 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 shall be deemed to be deleted from Condition 16 (Additional Disruption Events) (C) (ii) (iii):

"less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (unless otherwise provided in the relevant Final Terms)".

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 Certificates as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Certificates".

ANNEX 2 (Additional Terms and Conditions for Share Certificates)

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 Certificates as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Certificates".

The following shall be deemed to be deleted from Annex 2 (4) (b), (c) and (d) (Merger Event, Tender Offer, De-Listing, Nationalisation and Insolvency):

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

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

PRODUCT SPECIFIC PROVISIONS

24. Index Certificates: Not applicable.

25. Share Certificates: Applicable.

(a) Share(s)/ Share Company/ Basket Company: The Certificates relate to a basket of 6 shares (each **Underlying Share**[i]) (the **Basket of Shares**) as described in the table below.

For the purposes of the Conditions each Underlying Share[i] shall be deemed a Share.

i	Share Company	Underlying Share[i]		Share Currency	Exchange
		Bloomberg Code	ISIN Code		
1	Total	FP FP	FR0000120271	EUR	Nyse-Euronext Paris
2	Nokia	NOK1V FH	FI0009000681	EUR	Helsinki Stock Exchange
3	Telecom Italia S.p.A.	TIT IM	IT0003497168	EUR	Italian Stock Exchange
4	Rio Tinto	RIO LN	GB0007188757	GBpence	London Stock Exchange
5	Anglo American	AAL LN	GB00B1XZS820	GBpence	London Stock Exchange
6	ING Groep N.V.	INGA NA	NL0000303600	EUR	Nyse-Euronext Amsterdam

(b) Relative Performance Basket: Applicable.

(c) Share Currency: See table above.

(d) Exchange(s): See table above.

(e) Related Exchange(s): All Exchanges.

(f) Exchange Business Day: All Share Basis.

(g) Scheduled Trading Day: All Share Basis.

(h) Weighting: Not applicable.

(i) Settlement Price: The Settlement Price will be calculated on the basis of the official closing price of the Share[i] as determined and published by the Exchange, except for the Shares of Telecom Italia S.p.A, for which the Settlement Price will be calculated on the basis of the

	Reference Price, as determined and published by Borsa Italiana.
(j) Disrupted Day:	If any Automatic Early Redemption Valuation Date or Redemption Valuation Date is a Disrupted Day, the Settlement Price will be calculated on the basis of the provisions contained in Condition 4.
(k) Specified Maximum Days of Disruption:	Three (3) Scheduled Trading Days.
(l) Valuation Time:	The Valuation Time will be (i) with reference to the Redemption Valuation Date, the time when the official Closing Price of the Underlying Share[i] is determined by the Exchange, except for the Shares of Telecom Italia S.p.A., for which the Valuation Time will be the time when the Reference Price is determined by Borsa Italiana; (ii) with reference to Automatic Early Redemption Valuation Date$_t$, the time when the official Closing Price of the Underlying Share[i] is determined by the Exchange, except for the Shares of Telecom Italia S.p.A, for which the Valuation Time will be the time when the closing auction price is calculated by Borsa Italiana
(m) Knock-in Event:	Not applicable.
(n) Knock-out Event:	Not applicable.
(o) Automatic Early Redemption Event:	Applicable.
(i) Automatic Early Redemption Amount:	An Automatic Early Redemption Event shall be deemed to occur if on the Automatic Early Redemption Valuation Date$_t$ the Closing Price of each Underlying Share[i] is greater than its Automatic Early Redemption Price: **N x [100% + Premium Amount]** *Otherwise, no Automatic Early Redemption Event will occur* *Where:* **N** is the Notional Amount of each Certificate (see §17); **t** is a number running from 1 to 11 representing the Automatic Early Redemption Valuation Date in respect of which the Automatic Early Redemption Event has occurred; **Closing Price** is the Settlement Price provided that the corresponding definition of "Settlement Price" shall apply as if references to "Valuation Date" were to "Automatic Early Redemption Valuation Date". **Premium amount** is the Premium amount as provided in Schedule 1 hereto.
(ii) Automatic Early Redemption Date(s):	15 November 2010 (t=1), 16 May 2011 (t=2), 14 November 2011 (t=3),14 May 2012 (t=4), 14 November 2012 (t=5), 14 May 2013 (t=6), 14 November 2013 (t=7), 14 May 2014 (t=8), 14 November 2014 (t=9), 14 May 2015 (t=10) 16 November 2015 (t=11).

	(iii) Automatic Early Redemption Price:	100% x $Share'_{Initial}$.
	(iv) Automatic Early Redemption Rate:	Not applicable.
	(v) Automatic Early Redemption Valuation Date(s):	1 November 2010 (t=1), 3 May 2011 (t=2), 31 October 2011 (t=3), 30 April 2012 (t=4), 30 October 2012 (t=5), 30 April 2013 (t=6), 30 October 2013 (t=7), 30 April 2014 (t=8), 30 October 2014 (t=9), 30 April 2015 (t=10) and 30 October 2015 (t=11).
	(p) Delayed Redemption on the Occurrence of an Extraordinary Event:	Not applicable.
	(q) Share Correction Period:	As per Conditions.
	(r) Dividend Payment:	Not applicable.
	(s) Listing Change:	Not applicable.
	(t) Listing Suspension:	Not applicable.
	(u) Illiquidity:	Not applicable.
	(v) Tender Offer:	Applicable.
	(w) Other terms or special conditions:	Not applicable.
26.	GDR/ADR Certificates:	Not applicable.
27.	Debt Certificates:	Not applicable.
28.	Commodity Certificates:	Not applicable.
29.	Inflation Index Certificates:	Not applicable.
30.	Currency Certificates:	Not applicable.
31.	Fund Certificates:	Not applicable.
32.	Market Access Certificates:	Not applicable.
33.	Credit Certificates:	Not applicable.
34	Futures Certificates:	Not applicable.
35	Reference Rate Certificates:	Not applicable.
36	Custom Index Certificates:	Not applicable.
37.	Additional Disruption Events:	(a) The following Additional Disruption Events apply to the Certificates: Change in Law Insolvency Filing. (b) Condition 16(B) (Additional Definitions): Not applicable.

(c) Delayed Redemption on Occurrence of Additional Disruption Event: Not applicable.

PROVISIONS RELATING TO INTEREST

38.	Interest:	Not applicable. The Certificates pay a Premium Amount as provided in the Schedule 1 hereto.
39.	Fixed Rate Provisions:	Not applicable.
40.	Floating Rate Provisions:	Not applicable.
41.	Index Linked Interest Certificates:	Not applicable.
42.	Share Linked Interest Certificates:	Not applicable.
43.	GDR/ADR Linked Interest Certificates:	Not applicable.
44.	Debt Linked Interest Certificates:	Not applicable.
45.	Commodity Linked Interest Certificates:	Not applicable.
46.	Inflation Index Linked Interest Certificates:	Not applicable.
47.	Currency Linked Interest Certificates:	Not applicable.
48.	Fund Linked Interest Certificates:	Not applicable.
49	Futures Linked Interest Certificates:	Not applicable.
50	Custom Index Linked Interest Certificates:	Not applicable.

ISSUER CALL OPTION IN RESPECT OF CERTIFICATES

51.	Issuer Call Option:	Not applicable.

HOLDER PUT OPTION IN RESPECT OF CERTIFICATES

52.	Holder Put Option:	Not applicable.

PROVISIONS RELATING TO VALUATION ON REDEMPTION

53.	Cash Settlement Amount:	Unless previously redeemed according to Item 25 (o) or purchased and cancelled by the Issuer, the Holder shall receive on the Redemption Date, in respect of each Certificate, payment of a Cash Settlement Amount in accordance with the following provisions: 1) If on Redemption Valuation Date, $Share^{i}_{(Final)}$ is greater than 50% of $Share^{i}_{(Initial)}$: **N x [100% +4.5%]**

2) Otherwise:

N x 100% + N x 2 * min (0%, 50% + Worst-Performance)

Where:

N is the Notional Amount of each Certificate (see §17);

Worst-Performance is calculated as follows:

$$Min_{i=1}^{6}\left(\frac{Share^{i}_{Final}}{Share^{i}_{Initial}}-1\right)$$

Share$^{i}_{Final}$ is the official Closing Price of each Underlying Share^{i} on the Redemption Valuation Date, except for the Shares of Telecom Italia S.p.A., for which is the Reference Price of the Underlying Share^{i} on the Redemption Valuation Date;

Share$^{i}_{Initial}$ is the official Closing Price of each Underlying Share^{i} on the Strike Date except for the Shares of Telecom Italia S.p.A., for which is the closing auction price of the Underlying Share on the Strike Date; and is specified in the table set out in §25;

For the Shares of Telecom Italia S.p.A., **Reference Price** is the "*Prezzo di Riferimento*" as defined by Borsa Italiana.

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 not later than the Renouncement Notice Cut-off Time (as defined in § 54) 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 before the Renouncement Notice Cut-off Time (as defined in § 54), the Cash Settlement Amount shall be paid automatically by the Issuer on the Redemption Date.

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

54.	Renouncement Notice Cut-off Time	5:00 pm on the Scheduled Trading Day following the Redemption Valuation Date, except for the Shares of Telecom Italia S.p.A., for which is 10.00 a.m. (Milan Time) on the Exercise Date.
55.	Strike Date:	14 May 2010, provided that, if the Strike Date is a Disrupted Day, the definition of "Valuation Date" in Condition 4 will apply as if references to "Valuation Date" were to "Strike Date".
56.	Redemption Valuation Date:	The Exercise Date, except for the Shares of Telecom Italia S.p.A., for which is the Scheduled Trading Day preceding the Exercise Date.
57.	Averaging:	Averaging does not apply to the Certificates.
58.	Observation Dates:	Not applicable.
59.	Observation Period:	Not applicable.
60.	Settlement Business Day:	Not applicable.
61.	Cut-off Date:	Not applicable.

DISTRIBUTION AND US SALES ELIGIBILITY

62.	Selling Restrictions:		As described in the Base Prospectus.
	(a)	Eligibility for sale of Certificates in the United States to AIs:	The Certificates are not eligible for sale in the United States to AIs.
	(b)	Eligibility for sale of Certificates in the United States to QIBs within the meaning of rule 144A:	The Certificates are not eligible for sale in the United States under Rule 144A to QIBs.
63.	Additional U.S. Federal income tax consequences:		Not applicable.
64.	Registered broker/dealer:		Not applicable.
65.	Non exempt Offer:		An offer of the Certificates may be made through **Südtirol Bank** (the "**Distributor**", and, together with any other entity appointed for the placement of the Certificates during the Offer Period, the "**Distributors**") other than pursuant to Article 3(2) of the Prospectus Directive in the Republic of Italy (the "**Public Offer Jurisdiction**") during the period from 30 March 2010 until 7 May 2010 during the hours in which the banks are open for business in the Republic of Italy (the "**Offer Period**"). See further Paragraph 8 of Part B below.

Purposes of Final Terms

These Final Terms comprise the final terms required for issue and public offer in the Public Offer Jurisdiction and admission to trading on the electronic "Securitised Derivatives Market" (the "**SeDeX**") of the Italian Stock Exchange of the

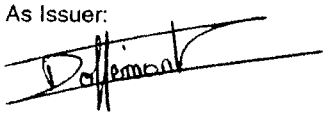
Certificates described herein pursuant to the BNP Paribas, BNP Paribas Arbitrage Issuance B.V. Warrant and Certificate Programme.

Responsibility

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

Céline DOFFÉMONT

PART B – OTHER INFORMATION

1. Listing and Admission to trading:

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

2 Ratings

Ratings:	The Certificates to be issued have not been rated. The rating of the Guarantor is Aa2 from Moody's and AA from Standard and Poor's As defined by Moody's an "Aa" rating means that the obligations of the Issuer and the Guarantor under the Programme are of high quality and are subject to very low credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 2 indicates a mid-range ranking. As defined by Standard & Poor's, an "AA" rating means that the relevant Issuer and Guarantor's capacity to meet its financial commitment under the Certificates is very strong

3 Risk Factors

As described in the Base Prospectus.

4 Interests of Natural and Legal Persons Involved in the Offer

Investors shall be aware of the fact that the Distributor appointed for the placement of the Certificates under these Final Terms, **Südtirol Bank** will receive from the Issuer a placement fee implicit in the Issue Price of the Certificates equal to a maximum annual amount of 2% of the Issue Amount.

Save as described above and discussed in "*Risk Factors*" in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Certificates has an interest material to the offer.

5 Reasons for the Offer, Estimated Net Proceeds and Total Expenses

(a)	Reasons for the offer:	The net proceeds from the issue of Securities will become part of the general funds of the Issuer. Such proceeds may be used to maintain positions in options or futures contracts or other hedging instruments.
(b)	Estimated net proceeds:	Up to EUR 20,000,000 For the avoidance of doubt, the estimated net proceeds reflect the proceeds to be received by the Issuer on the Issue Date. They are not a reflection of the fees payable to the Distributor.
(c)	Estimated total expenses:	Not available.

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

The "Athena Phoenix European Blue Chips" Certificate is a EUR denominated Certificate with a 6 year maturity.

The Certificate is a non capital guaranteed structure. It may be automatically early redeemed at least at par pursuant to the provisions detailed in § 25 (o).

If neither early redeemed nor purchased and cancelled, the Certificate offers the possibility to receive on the Redemption Date a Redemption Amount pursuant to the provisions detailed in § 53.

During the secondary market period, the price of the Certificates will depend upon market conditions and may be subject to significant fluctuations. If the Certificates are sold, before the Redemption Date, there is a probability that the investor will suffer a loss of its investment.

There is a risk of partial or total capital loss, and therefore an investment in the Certificates is highly speculative, involving significant risk, including the possible loss of the entire amount invested, and should therefore only be considered by persons who can afford a loss of their entire investment.

Details of historic performance of the Underlying can be obtained from Reuters.

Name of the issuer of the underlying security: **Total**

Total SA explores for, produces, refines, transports, and markets oil and natural gas. The Company also operates a chemical division which produces polypropylene, polyethylene, polystyrene, rubber, paint, ink, adhesives, and resins. Total operates gasoline filling stations in Europe, the United States, and Africa.

Address:

2 place Jean Millier La défense 6
92400 Courbevoie
France

Website: www. total.com

Nokia

Nokia Corporation is a player in the mobile industry. The Company makes a range of mobile devices with services and software that enable people to experience music, navigation, video, television, imaging, games, business mobility and more. Nokia also provides equipment, solutions and services for communications networks.

Address:

Keilalahdentie 2-4

FI-02150 Espoo

Finland

Website: www.nokia.com

Telecom Italia S.p.A.

Telecom Italia, through subsidiaries, offers fixed line and mobile telephone and data transmission services in Italy and abroad. The Company offers local and long-distance telephone, satellite communications, Internet access, and teleconferencing services.

Address:

Corso Italia 41

10122 Rome

Italy

Website: www.telecomitalia.it

Rio Tinto

Rio Tinto plc is an international mining company. The Company has interests in mining for aluminum, borax, coal, copper, gold, iron ore, lead, silver, tin, uranium, zinc, titanium dioxide feedstock, diamonds, talc and zircon. Rio Tinto's various mining operations are located in Australia, New Zealand, South Africa, the United States, South America, Europe, and Indonesia.

Address :

2 Eastbourne Terrace
London W2 6LG
United Kingdom

Website: www.riotinto.com

Anglo American

Anglo American is a global mining and natural resources company, which has interests in platinum, gold, diamonds, coal, base metals, ferrous metals, and industrial minerals. The Group is geographically diverse, with operations in Africa, Europe, North and South America, Australia, and Asia.

Address :

20 Carlton Terrace
London SW1Y 5 AN
United Kingdom

Website: www.angloamerican.co.uk

ING Groep N.V

ING Groep N.V. offers financial services to individuals, corporations, and other institutions. The Company offers corporate, investment, and private banking services, asset and portfolio management, treasury services, and insurance. ING Groep has offices throughout the world.

Address :

P.O Box 810
1000 AV Amsterdam
The Netherlands

Website : www.ing.com

ISIN Code of the underlying:	See Part A § 25 (a).
Source of information relating to the Underlying	Past and futures performances and volatility of the Shares are notably available on the website of the Share Company and on Bloomberg.
Post-Issuance information	The Issuer does not provide post-issuance information.

7 Operational Information

Relevant Clearing System(s):	Monte Titoli.

8 Terms and Conditions of the Public Offer

Offer Price:	The Issue Price (of which a maximum annual amount of 2% is represented by commissions payable to the Distributor)
Conditions to which the offer is subject:	The Offer of the Certificates is conditional on their issue. The Issuer reserves the right to withdraw the offer and cancel the issuance of the Securities for any reason at any time on or prior to the Issue Date. For the avoidance of

	doubt, if any application has been made by a potential investor and the Issuer exercises such a right, each such potential investor shall not be entitled to subscribe or otherwise acquire the Certificates.
Description of the application process:	From 30 March 2010 to, and including, 7 May 2010, or such earlier date as the Issuer determines as notified on or around such earlier date by loading the following link http://eqdpo.bnpparibas.com/athenaphoenix/EuropeanBlueChips 2016 (the **Offer End Date**). Application to subscribe for the Certificates can be made in Italy at the offices of the Distributor. The distribution activity will be carried out in accordance with the Distributor's usual procedures. Prospective investors will not be required to enter into any contractual arrangements directly with the Issuer in relation to the subscription for the Certificates.
Details of the minimum and/or maximum amount of application:	Minimum subscription amount per investor: EUR 1,000. Maximum subscription amount per investor: 20,000 x Notional Amount. The maximum amount of application of Certificates will be subject only to availability at the time of the application. There are no pre-identified allotment criteria. The Distributor will adopt allotment criteria that ensures equal treatment of prospective investors. All of the Certificates requested through the Distributor during the Offer Period will be assigned up to the maximum amount of the Offer. In the event that during the Offer Period the requests exceed the total amount of the offer destined to prospective investors the Issuer will proceed to early terminate the Offer Period and will immediately suspend the acceptance of further requests.
Description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants:	Not applicable.
Details of the method and time limits for paying up the Certificates and delivering the Certificates:	The Certificates will be issued on the Issue Date against payment to the Issuer by the Distributor of the gross subscription moneys. The Certificates are cleared through the clearing systems and are due to be delivered through the Distributor on or around the Issue Date.
Manner in and date on which results of the offer are to be made public:	Publication by loading the following link (http://eqdpo.bnpparibas.com/athenaphoenix/EuropeanBlueChips

	2016) in each case on or around the Issue Date.
Procedure for exercise of any right of preemption, negociability of subscription rights and treatment of subscription rights not exercised:	Not applicable.
Categories of potential investors to which the Certificates are offered:	Offers may be made through the Distributor in the Republic of Italy to any person. Qualified investors may be assigned only those Certificates remaining after the allocation of all the Certificates requested by the public in the Republic of Italy during the Offer Period. Offers (if any) in other EEA countries will only be made by the Distributor pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus. Any investor not located in the Republic of Italy should contact its financial advisor for more information, and may only purchase the Certificates from its financial advisor, bank or financial intermediary.
Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made:	Each investor will be notified by the Distributor of its allocation of Certificates after the end of the Offer Period and before the Issue Date. No dealings in the Certificates may take place prior to the Issue Date.
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	The Issuer is not aware of any expenses and taxes specifically charged to the subscriber. For the Offer Price which includes the commissions payable to the Distributor see above "Offer Price". For details of the tax regime applicable to subscribers in the Republic of Italy, see hereafter.

9 Placing and Underwriting

Name(s) and address(es), to the extent known to the Issuer, of the places in the various countries where the offer takes place:	Not applicable.
Name and address of the co-ordinator(s) of the global offer and of single parts of the offer:	Not applicable.
Name and address of any paying agents and depository agents in each country (in addition to the Principal Certificate Agent):	BNP Paribas Securities Services, Milan Branch Via Ansperto, 5-20123, Milano, Italy.
Entities agreeing to underwrite the issue on a	The placement activity will be carried out by:

firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements:	**Südtirol Bank** Via Dr Streiter 31, I-39100 Bolzano Italy (the **Distributor**) The Issuer reserves the right to appoint other distributors during the offering period, which will be communicated to investors by means of a notice published on the website http:// eqdpo.bnpparibas.com/athenaphoenix/EuropeanBlueChips2016 (together with the Distributor, the **Distributors**). No underwriting commitment is undertaken by the Distributor.
When the underwriting agreement has been or will be reached:	Not applicable.

10 Yield

Not applicable.

11 Historic Interest Rates

Not applicable.

12 Renouncement Notice

RENOUNCEMENT NOTICE

(to be completed by the Holder of the Certificate)

BNP Paribas Arbitrage Issuance B.V.

Up to 20,000 "Athena Phoenix European Blue Chips" EUR Certificates linked to the 6 Shares (Total, Nokia, Telecom Italia S.p.A., Rio Tinto, Anglo American and ING Groep N.V.) due 16 May 2016

ISIN Code: NL0009418722

(the **Certificates**)

To: **BNP Paribas Securities Services, Milan Branch**
Via Ansperto, 5-20123, Milano, Italy
Fax No: (39) 02 72474 444

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

_____

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

Series No. of the Certificates:

_____

Number of Certificates the subject of this notice:

_____

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

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

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

Place and date:

_____

Signature of the Holder

Name of beneficial owner of the Certificates

_____

_____

Signature

SCHEDULE 1

DEFINITIONS

For the purposes of the Certificates:

"*Premium Amount*" means, in respect of a Premium Amount Payment Date, the Notional Amount of each Certificate multiplied by 4.5 per cent.;

"*Premium Amount Valuation Dates*" means 1 November 2010 (t=1), 3 May 2011 (t=2), 31 October 2011 (t=3), 30 April 2012 (t=4), 30 October 2012 (t=5), 30 April 2013 (t=6), 30 October 2013 (t=7), 30 April 2014 (t=8), 30 October 2014 (t=9), 30 April 2015 (t=10), 30 October 2015 (t=11) and 3 May 2016 (t=12); Provided that if any Premium Amount Valuation Date would otherwise fall on a day which is not a Business Day, such Premium Amount Valuation Date shall be postponed to the next day which is a Business Day;

"*Premium Amount Payment Date*" means 15 November 2010 (t=1), 16 May 2011 (t=2), 14 November 2011 (t=3),14 May 2012 (t=4), 14 November 2012 (t=5), 14 May 2013 (t=6), 14 November 2013 (t=7), 14 May 2014 (t=8), 14 November 2014 (t=9), 14 May 2015 (t=10), 16 November 2015 (t=11) and 16 May 2016 (t=12); Provided that if the Premium Amount Payment Date would otherwise fall on a day which is not a Business Day, such Premium Amount Payment Date shall be postponed to the next day which is a Business Day.

"*Premium Amount Payment Condition*" means that if in respect of a Premium Amount Valuation Date, the official Closing Price of each Underlying Share^{i} is greater than 50% of Share$^{i}_{Initial}$, then a Premium Amount will be paid on the corresponding Premium Amount Payment Date; provided however that no Automatic Early Redemption Event (as specified in PART-A § 25 (o) above) has occurred.

"Premium Amount *Record Date*" means 9 November 2010 (t=1), 10 May 2011 (t=2), 8 November 2011 (t=3),8 May 2012 (t=4), 8 November 2012 (t=5), 8 May 2013 (t=6), 8 November 2013 (t=7), 8 May 2014 (t=8), 10 November 2014 (t=9), 8 May 2015 (t=10), 10 November 2015 (t=11) and 10 May 2016 (t=12); Provided that if the Premium Amount Record Date would otherwise fall on a day which is not a Business Day, the Premium Amount Record Date shall be postponed to the next day which is a Business Day.

PREMIUM AMOUNT

(A) *Premium Amount*

Each Notional Amount of Certificates pays the Premium Amount on the Premium Amount Payment Date. The Premium Amount payable under the Certificates represents an amount payable by the Issuer as compensation for and in recognition of the assumption of the risk that in certain circumstances the Cash Settlement Amount payable on redemption of the Certificates may be less than the Issue Price or even zero.

(B) Premium Amounts shall be paid as provided in Condition 7 (*Payments*) to the person who will be the Holder of the Certificates according to the records of Monte Titoli as at the Premium Amount Record Date.

(C) References to "interest" or "Interest" or "Interest Amount" in the second paragraph of Condition 7(A), Condition 7(F), shall be deleted and replaced by "Premium Amount".

SCHEDULE 2

ITALIAN TAXATION

The following is a summary of current Italian law and practice relating to the taxation of the Certificates (the"securities"). The statements herein regarding taxation are based on the laws in force in Italy as at the date of these Final Terms and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities.

Italian taxation of Securities

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident Certificateholder is (i) an individual not engaged in an entrepreneurial activity to which the Certificates are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Certificates are subject to a 12.5% substitute tax (imposta sostitutiva). The recipient may opt for three different taxation criteria:

(1) Under the tax declaration regime (regime della dichiarazione), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Certificates are connected, the imposta sostitutiva on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any offsettable capital loss, realised by the Italian resident individual holding the Certificates not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Certificates carried out during any given tax year. Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay imposta sostitutiva on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity may elect to pay the imposta sostitutiva separately on capital gains realised on each sale or redemption of the Certificates (the "risparmio amministrato" regime provided for by Article 6 of the Legislative Decree No. 461 of 21 November 1997, as a subsequently amended, the "Decree No. 461"). Such separate taxation of capital gains is allowed subject to (i) the Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the risparmio amministrato regime being punctually made in writing by the relevant Certificateholder. The depository is responsible for accounting for imposta sostitutiva in respect of capital gains realised on each sale or redemption of the Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Certificateholder or using funds provided by the Certificateholder for this purpose. Under the risparmio amministrato regime, where a sale or redemption of the Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the risparmio amministrato regime, the Certificateholder is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised or accrued by Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Certificates, to an authorised intermediary and have validly opted for the so-called "risparmio gestito" regime (regime provided for by Article 7 of the Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this risparmio gestito regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the risparmio gestito regime, the Certificateholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Securityholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, capital gains arising from the Securities will not be subject to *imposta sostitutiva*, but must be included in the relevant Securityholder's income tax return and are therefore subject to Italian corporate tax (and, in certain circumstances, depending on the "status" of the Securityholder, also as a part of the net value of production for IRAP purposes).

Capital gains realised by non-Italian resident Securityholders are not subject to Italian taxation provided that the Securities are held outside of Italy.

Atypical securities

In accordance with a different interpretation of current tax law, it is possible that Certificates would be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Certificates may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Certificate and to an Italian resident holder of the Certificate which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, (Decree No. 262), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

(i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;

(ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and

(iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

Payments made by a non-resident Guarantor

With respect to payments made to Italian resident Securityholders by a non-Italian resident guarantor, in accordance with one interpretation of Italian tax law, any such payment made by the Italian non-resident guarantor could be treated, in certain circumstances, as a payment made by the relevant Issuer and would thus be subject to the tax regime described in the previous paragraphs of this section.

EU Savings Directive

Under EC Council Directive 2003/48/EC (**EU Savings Directive**) on the taxation of savings income, Member States, including Belgium from 1 January 2010, are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to impose a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland).

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the EU Savings Directive, which included the Commission's advice on the need for changes to the Directive. On 13

November 2008 the European Commission published a more detailed proposal for amendments to the Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above.

Implementation in Italy of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 ("Decree No. 84"). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

TERMS AND CONDITIONS OF THE CERTIFICATES

The following is the text of the Terms and Conditions of the Certificates which will include the additional terms and conditions contained in Annex 1 in the case of Index Certificates, the additional terms and conditions contained in Annex 2 in the case of Share Certificates, the additional terms and conditions contained in Annex 3 in the case of GDR/ADR Certificates, the additional terms and conditions contained in Annex 4 in the case of Debt Certificates, the additional terms and conditions contained in Annex 5 in the case of Commodity Certificates, the additional terms and conditions contained in Annex 6 in the case of Inflation Index Certificates, the additional terms and conditions contained in Annex 7 in the case of Currency Certificates, the additional terms and conditions contained in Annex 8 in the case of Fund Certificates, the additional terms and conditions contained in Annex 9 in the case of Market Access Certificates, the additional terms and conditions contained in Annex 10 in the case of Credit Certificates, the additional terms and conditions contained in Annex 11 in the case of Futures Certificates, the additional terms and conditions contained in Annex 12 in the case of Reference Rate Certificates, the additional terms and conditions contained in Annex 13 in the case of Custom Index Certificates, or any other Annex (each, an "Annex" and, together the "Annexes") which may be added from time to time in the case of any other certificate linked to any other underlying reference (the "Terms and Conditions") which, in the case of English Law Certificates (as defined in Condition 4 below), will be incorporated by reference into each Global Certificate or Private Placement Definitive Certificate (each as defined below) or in the case of Italian Dematerialised Certificates (as defined below) will apply to such Certificates. The applicable Final Terms in relation to any issue of Certificates may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Terms and Conditions, replace or modify the Terms and Conditions for the purpose of such Certificates. In the case `of English Law Certificates (other than Swedish Certificates or Italian Dematerialised Certificates), the applicable Final Terms (or the relevant provisions thereof) will be attached to each Global Certificate or Private Placement Definitive Certificate. In the case of Swedish Certificates and Italian Dematerialised Certificates, the applicable Final Terms in respect of such Certificates will be available at the specified office of the relevant Issuer and at the office of the Swedish Certificate Agent or Italian Certificate Agent, as applicable, in each case specified in the applicable Final Terms.

The series of Certificates described in the applicable Final Terms (in so far as it relates to such series of Certificates) (such Certificates being hereinafter referred to as the "**Certificates**") 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 (as defined below) (the "**Issuer**") and references to the Issuer shall be construed accordingly. Rule 144A Certificates and Private Placement Definitive Certificates (each, as defined below) may be issued by BNPP only. The Certificates are issued pursuant to an Agency Agreement dated 4 June 2009 (as amended and/or supplemented from time to time, the "**Agency Agreement**") between BNPP B.V. as issuer, BNPP as issuer and, where the Issuer is BNPP B.V., as guarantor (in such capacity, the "**Guarantor**"), BNP Paribas Securities Services S.A., acting through BNP Paribas Securities Services Amsterdam Branch as agent (if specified in the applicable Final Terms as Agent in respect of the Certificates, the "**Amsterdam Certificate Agent**"), BNP Paribas Securities Services, Branch in Spain as agent (if specified in the applicable Final Terms as Agent in respect of the Certificates, the "**Madrid Certificate Agent**"), BNP Paribas Securities Services, Luxembourg Branch as agent (if specified in the applicable Final Terms as Agent in respect of the Certificates, the "**Principal Certificate Agent**"), BNP Paribas Arbitrage S.N.C. as agent (if specified in the applicable Final Terms as Agent in respect of the Certificates, the "**Principal Certificate Agent**"), The Bank of New York Mellon as New York certificate agent (the "**New York Certificate Agent**"), The Bank of New York Mellon as definitive certificate agent (the "**Definitive Certificate Agent**"), BNP Paribas Securities Services, Milan Branch as Italian Certificate Agent (the "**Italian Certificate Agent**") (each, a "**Certificate Agent**" and collectively, the "**Certificate Agents**"), BNP Paribas Securities Services S.A. Frankfurt Branch, BNP Paribas Securities Services, Paris, succursale de Zurich and BNP PARIBAS Securities (Japan) Limited as registrar as supplemented in the case of Swedish Certificates (as defined below) by an issuing and paying agency agreement dated 11 July 2007 (as amended and/or supplemented from time to time, the "**Swedish Agency Agreement**") between BNPP B.V. and Svenska Handelsbanken AB (publ) as Euroclear Sweden certificate agent (the "**Swedish Certificate Agent**"). The expression "Certificate Agent" shall include in respect of Swedish Certificates the Swedish Certificate Agent shall include any additional or

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

English Law Certificates (as defined in Condition 4 below) other than Swedish Certificates and Italian Dematerialised Certificates are constituted by an English Law clearing system global certificate (each, a "**Global Certificate**"), as specified in the applicable Final Terms. Except as provided herein, no Certificates in definitive form will be issued. English Law Certificates that are Swedish Certificates will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Swedish Financial Instruments Accounts Act 1998 (*Sw.: Lag (1998:1479) om kontoföring av finansiella instrument*) (the "**SFIA Act**"). Swedish Certificates will not be issued in definitive form. Copies of the Swedish Agency Agreement and the English Law Guarantee (as defined in Condition 4) will be available for inspection at the office of the Swedish Certificate Agent specified in the applicable Final Terms.

English Law Certificates that are Italian Dematerialised Certificates (as defined below) 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 by subsequent implementing provisions. Italian Dematerialised Certificates will not be issued in definitive form.

In the event that the applicable Final Terms specify that Certificates are eligible for sale in the United States (such eligibility to be pursuant to an exemption from the registration requirements of the Securities Act of 1933, as amended (the "**Securities Act**")), (A) the Certificates sold in the United States to qualified institutional buyers ("**QIBs**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Rule 144A Certificates**") will be represented by one or more Rule 144A global certificates (each, a "**Rule 144A Global Certificate**"), (B) the Certificates sold in the United States to certain accredited investors ("**AIs**") (as defined in Rule 501(a) under the Securities Act) will be constituted by private placement definitive certificates (the "**Private Placement Definitive Certificates**"), and (C) in either such case, the Certificates 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 certificates (each, a "**Regulation S Global Certificate**"). References herein to a Global Certificate include, as the context so requires, a Rule 144A Global Certificate and a Regulation S Global Certificate. In the event that the Final Terms does not specify that Certificates are eligible for sale in the United States or to U.S. persons, the Certificates offered and sold outside the United States to non-U.S. persons under the exemption contained in Regulation S will be represented by a Global Certificate.

In the event that the Certificates are constituted by a Global Certificate, the Global Certificate will be issued and deposited with (i) a common depositary (the "**Common Depositary**") on behalf of Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear Bank S.A./N.V. ("**Euroclear**") and/or any other relevant Clearing System (as defined below), (ii) in the case of English Law Certificates held through Euroclear France, Euroclear France or (iii), in the case of Certificates to be issued and cleared through Monte Titoli, other than Italian Dematerialised Certificates, Monte Titoli. In the case of Certificates to be issued and cleared through Iberclear, the term Common Depositary and/or Custodian shall be deemed to refer to the foreign custodian (*Entidad Custodia*) or Iberclear Participant (*Entidad Miembro de Iberclear*), as the case may be, appointed in accordance with the rules and regulations of Iberclear.

Certificates represented by a Rule 144A Global Certificate will be either (i) deposited with a custodian (a "**Custodian**") for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**"), or (ii) issued and deposited with the Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System. Certificates represented by a Regulation S Global Certificate will be issued and deposited with the Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System.

Interests in a Rule 144A Global Certificate and a Regulation S Global Certificate may be exchanged for interests in the other Global Certificate only as described herein. Interests in a Global Certificate may be exchanged for Private Placement Definitive Certificates and Private Placement Definitive Certificates may be exchanged for an interest in a Global Certificate only as described herein.

In the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, if DTC notifies BNPP that it is unwilling or unable to continue as a depositary for that Global Certificate, or if at any time DTC ceases to be a "clearing agency" registered under the Exchange Act, as amended, and a successor depositary is not appointed by BNPP within 90 days of such notice, BNPP will deliver Certificates in definitive registered form (bearing such legends as may be required by BNPP) in exchange for that Rule 144A Global Certificate. Except in these circumstances, owners of beneficial interests in a Rule 144A Global Certificate held by a Custodian on behalf of DTC will not be entitled to have any portion of such Certificates registered in their name and will not receive or be entitled to receive physical delivery of registered Certificates in definitive form in exchange for their interests in that Rule 144A Global Certificate. Transfer, exercise, settlement and other mechanics related to any Certificates issued in definitive form in exchange for Certificates represented by such Rule 144A Global Certificate shall be as agreed between BNPP and the New York Certificate Agent.

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

The applicable Final Terms 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 Certificates. Except in the case of French Law Certificates, Swedish Certificates and Italian Dematerialised Certificates, the applicable Final Terms for the Certificates is attached to each Global Certificate and each Private Placement Definitive Certificate. Except in the case of French Law Certificates, Swedish Certificates or Italian Dematerialised Certificates, the applicable Final Terms for the Certificates will be attached to each Global Certificates and each Private Placement Definitive Certificates.

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

Subject as provided in Condition 3 and in the relevant Guarantee (as defined in Condition 4), where the Issuer is BNPP B.V., the obligations of BNPP B.V. with respect to physical delivery (if applicable) and/or the payment of amounts payable by BNPP B.V. are guaranteed by BNPP pursuant to the Guarantee. The original of each Guarantee is held by BNP Paribas Securities Services, Luxembourg Branch on behalf of the Holders (as defined in Condition 1(B)) at its specified office.

Copies of the Agency Agreement and the Guarantees and copies of the applicable Final Terms may be obtained from the specified office of the relevant Certificate Agent, save that if the Certificates are unlisted, the applicable Final Terms will only be obtainable by a Holder and such Holder must produce evidence satisfactory to the relevant Certificate Agent as to identity.

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

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

1. Type, Title and Transfer

(A) Type

The Certificates relate to a specified Index or Basket of Indices ("**Index Certificates**"), a specified Share or Basket of Shares ("**Share Certificates**"), a specified depositary receipt (a "**GDR/ADR**") referencing a share (an "**Underlying Share**") or basket of such GDRs/ADRs ("**GDR/ADR Certificates**"), a specified debt instrument ("**Debt Security**") or basket of Debt Securities ("**Debt Certificates**"), a specified commodity or commodity index or basket of commodities or commodity indices ("**Commodity Certificates**"), a specified inflation Index or basket of inflation indices ("**Inflation Index Certificates**"), a specified currency or basket of currencies ("**Currency Certificates**"), a specified fund share or unit or basket of fund shares or units (including fund shares in an exchange traded fund) ("**Fund Certificates**"), the credit of a specified reference entity or reference entities ("**Credit Certificates**"), a specified futures contract ("**Futures**") or basket of Futures ("**Futures Certificate**"), a specified interest or other reference rate or basket of interest or reference rates ("**Reference Rate Certificates**"), a specified custom index or basket of custom indices ("**Custom Index Certificates**") or any other or further type of Certificates as is specified in the applicable Final Terms including Certificates which relate to other assets or bases of reference ("**Underlying References**") or any combination of such indices, shares, debt securities, commodities, inflation indices, currencies, fund shares or units, futures and other asset classes or types ("**Hybrid Certificates**"). Certificates related to a specified commodity or commodity index or basket of commodities or commodity indices, a specified inflation index or basket of inflation indices, specified currency or basket of currencies, a specified fund share or unit or basket of fund shares or units (including fund shares in an exchange traded fund), the credit of a specified reference entity or reference entities, a specified futures contract, a specified interest rate or basket of interest rates, custom index or basket of custom indices or Hybrid Certificates related to any of these asset classes, may not at any time be offered, sold, resold, held, traded, pledged, exercised, redeemed, 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 settlement shall be by way of cash payment ("**Cash Settled Certificates**") or physical delivery ("**Physical Delivery Certificates**"), whether Cash Settled Certificates are redeemable in instalments and whether Averaging ("**Averaging**") will apply to the Certificates. If 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 so specified in the applicable Final Terms, interest shall be payable in respect of the Certificates. If the Certificates are Swedish Certificates, they will be Cash Settled Certificates. If the Certificates are Italian Dematerialised Certificates, they will be Cash Settled Certificates and Automatic Exercise will apply. The applicable Final Terms will indicate if the Certificates are exercisable, if so whether Multiple Exercise applies and the relevant Exercise Date(s).

References in these Terms and Conditions, unless the context otherwise requires, to Cash Settled Certificates shall be deemed to include references to (a) Physical Delivery Certificates which include

an option (as set out in the applicable Final Terms) at the Issuer's election to request cash settlement of such Certificate pursuant to Condition 7(C)(i) and where settlement is to be by way of cash payment, and (b) Physical Delivery Certificates where settlement is to be automatically varied to be by way of cash payment pursuant to Condition 7(C)(ii). References in these Terms and Conditions, unless the context otherwise requires, to Physical Delivery Certificates shall be deemed to include references to Cash Settled Certificates 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 Certificate pursuant to Condition 7(C)(i) 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. Certificates pursuant to Condition 7(C)(i).

Certificates 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 Certificates where the Holder has elected for cash payment will be Cash Settled Certificates and those Certificates where the Holder has elected for physical delivery will be Physical Delivery Certificates. The rights of a Holder as described in this paragraph may be subject to the Issuer's right to vary settlement as indicated in the applicable Final Terms and will be subject to the Issuer's right to substitute assets or pay the Alternate Cash Amount (as defined below) in lieu of physical delivery in accordance with these Conditions.

(B) Title to Certificates

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

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

In the case of Italian Dematerialised Certificates, the person who is for the time being shown in the records of Monte Titoli as the holder of a particular amount of Certificates (in which regard any certificate or other document issued by Monte Titoli as to the amount of Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest

error) shall (except as otherwise required by law) be treated for all purposes by the Issuer, the Guarantor, the Certificate Agents 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 Certificates**" and related expressions shall be construed accordingly). The Issuer shall cause Italian Dematerialised Certificates to be dematerialised and centralised with Monte Titoli, pursuant to Italian legislative decree no. 213/1998 as amended and integrated and subsequent implementing provisions.

Title to French Law Certificates will be evidenced in accordance with Article L.211-3 of the French Code monétaire et financier by book-entries (*inscription en compte*). No document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code Monétaire et Financier*) will be issued in respect of such Certificates. Certificates 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/or any other relevant Clearing System.

In the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, the Rule 144A Global Certificate 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 Certificate may be registered. Transfers of such Rule 144A Global Certificate by such nominee of DTC shall be limited to transfers of such Global Certificate, 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 Certificate are only enforceable by the Holders (as defined below) as provided therein. Subject as set forth in Condition 1(C), each person who is for the time being shown in the records of DTC as the Holder of a particular amount of Certificates shall (except as otherwise required by law) be treated by the Issuer and the New York Certificate Agent as the Holder of such amount of Certificates for all purposes (and the expressions "**Holder**" and "**Holder of Certificates**" and related expressions shall be construed accordingly).

In the case of Private Placement Definitive Certificates, BNPP shall cause to be kept at the principal office of the Definitive Certificate Agent, a register (the "**Private Placement Register**") on which shall be entered the names and addresses of all holders of Private Placement Definitive Certificates, the amount and type of Private Placement Definitive Certificates held by them and details of all transfers of Private Placement Definitive Certificates. Subject as set forth in Condition 1(C) 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 Certificates 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.

(C) Transfers of Interests in Global Certificates

Transfers of Certificates may not be effected after the redemption of such Certificates pursuant to Condition 6.

Subject as set forth in this Condition, all transactions (including permitted transfers of Certificates) in the open market or otherwise must be effected, in the case of Certificates represented by a Global Certificate held by a Common Depository on behalf of Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System or Euroclear France through an account at Clearstream, Luxembourg, Euroclear, as the case may be, in the case of Euroclear France Certificates through

Account Holder(s), or, in the case of Certificates represented by a Rule 144A Global Certificate 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 Certificates represented by a French Law Global Certificate must be effected through Account Holders(s). Title will pass upon registration of the transfer in the books of the relevant Clearing System.

Any reference herein to Clearstream, Luxembourg and/or Euroclear and/or DTC and/or Monte Titoli and/or any other relevant Clearing System shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Principal Certificate Agent from time to time and notified to the Holders in accordance with Condition 11.

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

(a) Transfers of Certificates to a person who takes delivery in the form of Certificates represented by a Global Certificate 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 Certificates represented by a Regulation S Global Certificate, from a Holder of Certificates represented by a Regulation S Global Certificate, 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 Certificates represented by a Rule 144A Global Certificate, from a Holder of Certificates represented by a Regulation S Global Certificate, within the Distribution Compliance Period (as defined below) only, upon certification (in the form from time to time available from any Certificate Agent) to the New York Certificate Agent by the transferor thereof that such transfer is being made to a person who is a QIB acquiring such Certificates 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 Certificates represented by a Regulation S Global Certificate, from a Holder of Private Placement Definitive Certificates upon certification (in the form from time to time available from any Certificate Agent) to the Principal Certificate 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 Certificates represented by a Rule 144A Global Certificate, from a Holder of Private Placement Definitive Certificates upon certification (in the form from time to time available from any Certificate Agent) to the New York

Certificate Agent by the transferor thereof that such transfer is being made to a person who is a QIB acquiring such Certificates 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 Certificates represented by a Rule 144A Global Certificate, from a Holder of Certificates represented by a Rule 144A Global Certificate, 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 Certificates represented by a Regulation S Global Certificate, from a Holder of Certificates represented by a Rule 144A Global Certificate upon certification (in the form from time to time available from any Certificate Agent) to the Principal Certificate 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 Certificate Agent, the New York Certificate Agent, the Definitive Certificate 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 Certificates, a free of payment instruction to the Definitive Certificate 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 Certificates represented by a Regulation S Global Certificate or a Rule 144A Global Certificate 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 Certificates represented by a Rule 144A Global Certificate 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 Certificates represented by a Global Certificate, the relevant Clearing System will debit the account of its participant and, (y) in the case of transfers of Private Placement Definitive Certificates, the Holder must deliver the Private Placement Definitive

Certificates the subject of the transfer to the Definitive Certificate Agent and instruct the Definitive Certificate Agent to cancel the transferred Private Placement Definitive Certificates; 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 Certificates represented by a Global Certificate held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, the Principal Certificate Agent to instruct the relevant Clearing System 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 Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, (1) the New York Certificate Agent (in the case of transfers of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC) to credit the relevant account of the DTC participant, (2) the Definitive Certificate Agent (in the case of transfers of Private Placement Definitive Certificates) to credit the relevant account of the DTC participant, or (3) the Principal Certificate Agent (in the case of transfers of Certificates represented by a Global Certificate held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System) to instruct DTC to credit the relevant account of Clearstream, Luxembourg or Euroclear at DTC and/or any other relevant Clearing System and thereafter DTC will debit such account of Clearstream, Luxembourg or Euroclear and/or an other relevant Clearing System, as the case may be, and will credit the relevant account of the DTC participant.

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

(A) the Principal Certificate Agent, in the case of transfers to and/or from a person who takes delivery in the form of Certificates represented by a Global Certificate held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, will increase or decrease, if appropriate, the number of Certificates represented by such Global Certificate, whereupon the number of Certificates represented by such Global Certificate shall be increased or decreased, if appropriate, for all purposes by the number so transferred and endorsed; or

(B) the New York Certificate Agent, in the case of transfers to and/or from a person who takes delivery in the form of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, will increase or decrease, if appropriate, the number of Certificates represented by such Rule 144A Global Certificate, whereupon the number of Certificates represented by such Rule 144A Global Certificate shall be increased or decreased, if appropriate, for all purposes by the number so transferred and endorsed.

(b) Transfers of Certificates to a person who takes delivery in the form of Private Placement Definitive Certificates may be made only in accordance with the following provisions:

(i) (A) in the case of transfers from a Holder of Private Placement Definitive Certificates, 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 Certificate Agent) to the Definitive Certificate Agent by the transferor thereof that such transfer is being made to a person whom the transferor reasonably believes is an AI acquiring such Certificates in a transaction exempt from the registration requirements of the Securities Act;

(B) in the case of transfers from a Holder of Certificates represented by a Rule 144A Global Certificate, 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 Certificate Agent) to the Definitive Certificate 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 Certificates in a transaction exempt from the registration requirements of the Securities Act;

(C) in the case of transfers from a Holder of Certificates represented by a Regulation S Global Certificate, 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 Certificate Agent) to the Definitive Certificate Agent by the transferor thereof that such transfer is being made to a person whom the transferor reasonably believes is an AI acquiring such Certificates 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 Certificate Agent, the Definitive Certificate 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 Certificates, a free of payment instruction to the Definitive Certificate 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 Certificates represented by a Regulation S Global Certificates or a Rule 144A Global Certificate 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 Certificates represented by a Rule 144A Global Certificate 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 Certificates represented by a Global Certificate, the relevant Clearing System will debit the account of its participant and, in the case of transfers of Private Placement Definitive Certificates, the Holder must deliver the Private Placement Definitive Certificates the subject of the transfer to the Definitive Certificate Agent and instruct the Definitive Certificate Agent to cancel the transferred Private Placement Definitive Certificates; and

(B) the relevant Clearing System or the Holder, as the case may be, will instruct the Definitive Certificate Agent to deliver or procure the delivery of new Private Placement Definitive Certificates, of a like number to the number of Certificates transferred, to the transferee at its specified office or send such new Private Placement Definitive Certificates, 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 Certificate Agent will, in the case of transfers of Certificates represented by a Global Certificate held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, decrease the number of Certificates represented by such Global Certificate, if appropriate, whereupon the number of Certificates represented by such Global Certificate shall, if appropriate, be reduced for all purposes by the number so transferred or exchanged and endorsed; or

(B) the New York Certificate Agent will, in the case of transfers of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, decrease the number of Certificates represented by such Rule 144A Global Certificate, if appropriate, whereupon the number of Certificates represented by such Rule 144A Global Certificate shall, if appropriate, be reduced for all purposes by the number so transferred and endorsed.

(c) In the case of transfers of Certificates to a person who takes delivery in the form of a Private Placement Definitive Certificate, 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 Certificate Agent is a condition precedent to the transfer of such Private Placement Definitive Certificate 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 Certificate 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 Certificate Agent (in relation to Global Certificates held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System) or (ii) the New York Certificate Agent (in relation to Rule 144A Global Certificates held by a Custodian on behalf of DTC) or (iii) the Definitive Certificate Agent (in relation to Private Placement Definitive Certificates) subsequently determines or is subsequently notified by BNPP that (i) a transfer or attempted or purported transfer of any interest in a Private Placement Definitive Certificate 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 (ii) the Holder of any interest in any Certificate 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 Certificates, any such representation or agreement set forth in the relevant Investor Representation Letter) or (iii) a transfer or attempted transfer of any interest in any Certificate was consummated that did not comply with the transfer restrictions set forth in this Condition 1(C), the purported transfer shall be absolutely null and void ab initio and shall vest no rights in the purported transferee (such purported transferee, a "**Disqualified Transferee**") and the last preceding Holder of such interest that was not a Disqualified Transferee shall be restored to all rights as a Holder thereof retroactively to the date of transfer of such interest by such Holder.

(d) Transfer of Swedish Certificates

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

(e) Transfer of Italian Dematerialised Certificates

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

2. Status of the Certificates and Guarantee

The Certificates 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 Certificates 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 Certificates 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 to clause 10 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 Certificates, notwithstanding that the Issuer had the right to vary settlement in respect of such Physical Delivery Certificates in accordance with Condition 7(C) 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 Certificates, but in lieu thereof, to make payment in respect of each such Physical Delivery Certificate of an amount calculated by BNPP in its sole and absolute discretion equal to the Cash Settlement Amount that would have been payable upon redemption of such Certificates assuming they were Cash Settled Certificates 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 Certificate less the costs of unwinding any underlying related hedging arrangements (the "**Guaranteed Cash Settlement Amount**") and (ii) in the case of Certificates where the obligations of the Issuer which fail to be satisfied by BNPP 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 Certificates 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 7(B)(5)) 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 Certificate 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 Certificate shall constitute a complete discharge of BNPP's obligations in respect of such Certificate. 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:

"**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:

(A) in the case of Index Certificates, Share Certificates, Debt Certificates, Fund Certificates, Market Access Certificates or Futures Certificates, 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:

(a) if "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision no Averaging Date would occur, then the provisions of the definition of "Valuation Date" will apply for purposes of

determining the relevant level, price or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or

(b) 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

(c) if "**Modified Postponement**" is specified as applying in the applicable Final Terms then:

(i) where the Certificates are Index Certificates relating to a single Index, Share Certificates relating to a single Share, or Futures Certificates relating to single Futures, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) 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 (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (A)(i) of the definition of "Valuation Date" below;

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

(iii) where the Certificates are Debt Certificates, Fund Certificates or Market Access Certificates 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 Certificates or Custom Index Certificates, each date specified as such in the applicable Final Terms; or

(C) in the case of Open End Certificates, the date designated as such by the Issuer in its sole and absolute discretion, provided that such date is determined by the Issuer and notified to the Holders in

accordance with Condition 11 at the latest on the tenth (10^{th}) Business Day preceding the contemplated Averaging Date;

"**Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) and for the purposes of making payments in euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open (a "**TARGET Settlement Day**") and (i) where the Certificates are represented by a Global Certificate or are Italian Dematerialised Certificates, a day on which the relevant Clearing System is open for business (ii) where the Certificates are Private Placement Definitive Certificates, 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 and (iii) where the Certificates are Swedish Certificates, 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 Certificates, the amount to which the Holder is entitled in the Settlement Currency in relation to each such Certificate, as determined by the Calculation Agent pursuant to the provisions set out in the applicable Final Terms or the following provisions:

(A) where "Turbo Call Certificate" is specified in the applicable Final Terms in respect of Cash Settled Certificates, then the Cash Settlement Amount shall be equal to:

(a) if no Knock-out Event has occurred, (the Settlement Price minus the Strike Price) divided by the Parity; or

(b) if a Knock-out Event has occurred, zero;

(B) where "Turbo Put Certificate" is specified in the applicable Final Terms in respect of Cash Settled Certificates, then the Cash Settlement Amount shall be equal to:

(a) if no Knock-out Event has occurred, (the Strike Price minus the Settlement Price) divided by the Parity; or

(b) if a Knock-out Event has occurred, zero;

(C) where "Turbo Pro Call Certificate" is specified in the applicable Final Terms in respect of Cash Settled Certificates, then the Cash Settlement Amount shall be equal to:

(a) if no Knock-in Event has occurred, the Issue Price; or

(b) (i) if a Knock-in Event has occurred and no Knock-out Event has occurred, (the Settlement Price minus the Strike Price) divided by the Parity, and (ii) if a Knock-in Event and a Knock-out Event have each occurred, zero;

(D) where "Turbo Pro Put Certificate" is specified in the applicable Final Terms in respect of Cash Settled Certificates, then the Cash Settlement Amount shall be equal to:

(a) if no Knock-in Event has occurred, the Issue Price; or

(b) (i) if a Knock-in Event has occurred and no Knock-out Event has occurred, (the Strike Price minus the Settlement Price) divided by the Parity, and (ii) if a Knock-in Event and a Knock-out Event have each occurred, zero.

The Cash Settlement Amount shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

"**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 provisional measures regarding the regulation 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 Certificate Agent(s) from time to time and specified in the applicable Final Terms;

"**Cut-off Date**" means the date specified as such in the applicable Final Terms or if not so set out (a) in respect of Physical Delivery Certificates that are not Credit Certificates, the fifth Business Day immediately preceding the Redemption Date or (b) in respect of Credit Certificates, the first Business Day following receipt of the relevant Notice of Physical Settlement;

"**Distribution Compliance Period**" means the period expiring 40 days after completion of the distribution of the relevant Certificates 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 redemption applicable to the Certificates;

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

"**English Law Guarantee**" means a deed of guarantee dated 4 June 2009, executed by BNPP in respect of English Law Certificates issued by BNPP B.V.;

"**Entitlement**" means, in relation to a Physical Delivery Certificate (other than a Credit Certificate), the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Holder is entitled to receive on the Redemption Date in respect of each such Certificate following payment of any sums payable (including Expenses as defined in Condition 12) rounded down as provided in Condition 7(B)(4), as determined by the Calculation Agent including any documents evidencing such Entitlement;

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

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

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

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

"**French Law Guarantee**" means the *garantie* dated 4 June 2009, executed by BNPP in respect of French Law Certificates issued by BNPP B.V.;

"**Guarantee**" means the English Law Guarantee or the French Law Guarantee, as the case may be;

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

"**Indian FII**" means an entity incorporated outside India and registered with the Securities Exchange Board of India under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 as a foreign institutional investor ("**FII**");

"**Italian Dematerialised Certificates**" means Exercisable Certificates 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;

"**Italian Listed Certificates**" means Exercisable Certificates which are listed and admitted to trading on the electronic "Securitised 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:

(A) in the case of Certificates other than Open End Certificates, each date specified as an Observation Date in the applicable Final Terms, or if any such date is not a Scheduled Trading Day, 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"; and

(B) in the case of Open End Certificates, the date designated as such by the Issuer in its sole and absolute discretion, provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 11 at the latest on the tenth (10th) Business Day preceding the contemplated Observation Date;

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

"**Open End Certificate**" means a French Law Certificate in respect of which "Open End" is specified as applicable in the relevant Final Terms and which may be redeemed on a date determined by the Issuer in its sole and absolute discretion, subject to the other provisions of these Terms and Conditions;

"**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;

"**Reference Banks**" means the five major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the euro-zone);

"**Relevant Jurisdiction**" means the country in which (as the case may be) the Shares, the Shares relating to the depositary receipts or the Debt Securities are issued (or in which the Share Company or Basket Company, as the case may be, 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, subject, in respect of Index Certificates to sub-paragraphs (B) and (C) of the definition of Valuation Time, and subject, in respect of Share Certificates, to sub-paragraph (C) of the definition of Valuation Time;

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

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

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

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

(A) where the Certificates are Index Certificates relating to a single Index, Share Certificates relating to a single Share or Futures Certificates relating to a single Futures, the Strike Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date, notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the relevant level or price in the manner set out in the applicable Final Terms or, if not set out or practicable, determine the relevant level or price:

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

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

(B) where the Certificates are Index Certificates relating to a Basket of Indices, Share Certificates relating to a Basket of Shares or Futures Certificates relating to a basket of Futures, the Strike Date for each Index, Share or Futures, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Strike Date and the Strike Date for each Index or Share affected, as the case may be (each an "**Affected Item**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to the Affected Item, the level or value as applicable, determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using:

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

(ii) in the case of a Share or a Futures, its good faith estimate of the value for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

"**Strike Price**" means the price specified as such in the applicable Final Terms;

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

"**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 or another Observation Date does not or is deemed not to occur;

"**Valuation Date**" means:

(A) in the case of Index Certificates, Share Certificates, Debt Certificates, Fund Certificates relating to one or more ETFs or Futures Certificates, unless otherwise specified in the applicable Final Terms, the Interest Valuation Date and/or the Redemption Valuation Date (subject to paragraph (C) below in respect of Open End Certificates), as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

(i) where the Certificates are Index Certificates relating to a single Index, Share Certificates relating to a single Share, Fund Certificates relating to a single ETF, Debt Certificates relating to a single Debt Security or Futures Certificates relating to a single Future, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (i) 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 (ii) 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:

(a) in the case of Index Certificates, by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has

occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or

(b) in the case of Share Certificates, Debt Certificates, Fund Certificates or Futures Certificates, 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 Certificates are Index Certificates relating to a Basket of Indices, Share Certificates relating to a Basket of Shares, Debt Certificates relating to a basket of Debt Securities, Fund Certificates relating to a Fund Basket comprised of ETFs, or Futures Certificates relating to a basket of Futures, the Valuation Date for each Index, Share, Debt Security, Fund Share or Future, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index, Share, Debt Security, Fund Share or Future affected, as the case may be, (each an "**Affected Item**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the 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 or, if not set out or if not practicable, using:

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

(b) in the case of a Share, Debt Security, Fund Share or Future, its good faith estimate of the value for the Affected Item as of the Valuation Time on that last such consecutive Scheduled Trading Day,

(B) in the case of Custom Index Certificates, the date specified in the applicable Final Terms; and

(C) in the case of Open End Certificates and for the purposes of the "Provisions relating to Valuation on Redemption" set out in the applicable Final Terms, the date designated as the Redemption Valuation Date by the Issuer in its sole and absolute discretion, provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 11 at the latest on the tenth (10th) Business Day preceding the contemplated Redemption Valuation Date;

and otherwise in accordance with the above provisions;

"**Valuation Time**" means:

(A) the Interest Valuation Time or the Valuation Time, as the case may be, specified in the applicable Final Terms; or

(B) (a) in the case of Index Certificates relating to a Composite Index, unless otherwise specified in the applicable Final Terms, (x) for the purposes of determining whether a Market Disruption Event has occurred: (i) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (ii) in respect of any options contracts or futures contracts on such Index, the close of trading on the Related Exchange; and (y) in all other circumstances, the time at which the official closing level of such Index is calculated and published by the Index Sponsor; or

(b) in the case of Index Certificates relating to Indices other than Composite Indices or Share Certificates, unless otherwise specified in the applicable Final Terms, the Scheduled Closing Time on the relevant Exchange on the relevant Strike Date, Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Index or Share to be valued, provided that if the relevant Exchange closes prior to its Scheduled Closing Time and the specified Interest Valuation Time or Valuation Time, as the case may be, is after the actual closing time for its regular trading session, then the Interest Valuation Time or the Valuation Time, as the case may be, shall be such actual closing time; and

"**Vietnamese QI**" means a corporation that both (a) is incorporated outside Vietnam and (b) does not have any permanent establishment in Vietnam.

5. Interest

If so specified in the applicable Final Terms the Certificates will pay interest, such interest to be calculated on the basis of a fixed rate of interest ("**Fixed Rate Certificates**"), a floating rate of interest ("**Floating Rate Certificates**") or by reference to the performance of one or more Index, Share, GDR and/or ADR, Debt Security, Currency, Commodity, Inflation Index, Fund Share, Futures or any other underlying security or any combination thereof in the manner specified in the applicable Final Terms (such Certificates "**Linked Interest Certificates**"):

(A) Interest on Fixed Rate Certificates

Each Fixed Rate Certificate pays interest calculated from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will accrue in respect of each Interest Period (which expressions shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date) to (but excluding) the next (or first) Interest Period End Date (each such latter date the "**Interest Period End Final Date**" for the relevant Interest Period)). Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Redemption Date. If an Interest Payment date falls after the Interest Period End Final Date in respect of the relevant Interest Period, no additional interest or other amount shall be payable as a result of such interest being payable on such later date. If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (x) if there is no numerically corresponding day on the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (y) if any Interest Period End Date or Interest Payment Date, as the case may be, would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(1) the Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day; or

(2) the Modified Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day; or

(3) the Preceding Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day.

If no Business Day Convention is specified as applicable to an Interest Period End Date in the applicable Final Terms except as provided in the applicable Final Terms the amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Final Date in respect of such Interest Period, will amount to the Fixed Coupon Amount.

Interest shall be calculated by applying the Rate of Interest to the Notional Amount of each Certificate and multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(B) Interest on Floating Rate Certificates and Linked Interest Certificates

(i) Interest, Interest Periods and Business Day Convention

Each Floating Rate Certificate and, subject to the provisions of Condition 5(C) below and unless otherwise specified in the applicable Final Terms, each Linked Interest Certificate pays interest (or, if it is a Partly Paid Certificate, in accordance with Condition 5(E) in respect of each Interest Period (which expression shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date to (but excluding) the next (or first) Interest Period End Date (each such latter date the "**Interest Period End Final Date**" for the relevant Interest Period)). For the purposes of this Condition 5(B) "**Interest Period End Date**" shall mean either: (i) the Interest Period End Date(s) in each year specified in the applicable Final Terms or (ii) if no Interest Period End Date(s) is/are specified in the applicable Final Terms, each date which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Period End Date or, in the case of the first Interest Period End Date, after the Interest Commencement Date.

Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Redemption Date. If an Interest Payment Date falls after an Interest Period End Final Date in respect of the relevant Interest Period, no additional interest or other amount shall be payable as a result of such interest being payable on such later date.

If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (x) if there is no numerically

corresponding day on the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (y) if any Interest Period End Date or Interest Payment Date, as the case may be, would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(1) in any case where Specified Periods are specified in accordance with Condition 5(B)(ii) below, the Floating Rate Convention, such Interest Period End Date or Interest Payment Date, as the case may be, (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (iv) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Period End Date or Interest Payment Date, as the case may be, shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Period End Date or Interest Payment Date, as the case may be, occurred; or

(2) the Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day; or

(3) the Modified Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day; or

(4) the Preceding Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day.

(ii) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Certificates and Linked Interest Certificates will be determined in the manner specified in the applicable Final Terms.

(iii) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (iii), "ISDA Rate" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the Certificates (the "**ISDA Definitions**") and under which:

(a) the Floating Rate Option is as specified in the applicable Final Terms;

(b) the Designated Maturity is a period specified in the applicable Final Terms; and

(c) the relevant Reset Date is either (x) if the applicable Floating Rate Option is based on the London interbank offered rate ("**LIBOR**") or on the Euro-zone inter-bank offered rate ("**EURIBOR**") for a currency, the first day of that Interest Period or (y) in any other case, as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (iii), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

(iv) AFB Determination

Where so specified in the applicable Final Terms, interest will be payable on such dates, at such a rate (the "**AFB Rate**") and in such amounts, plus or minus (as indicated in the applicable Final Terms) the Margin (if any), as would have been payable (regardless of any event of default or termination event thereunder) by the Issuer if it had entered into an interest rate swap transaction governed by an agreement in the form of the Master Agreement relating to foreign exchange and derivatives transactions (an "**AFB Agreement**"), as in effect on the date of issue of the Certificates, published by the *Association Française des Banques/Fédération Bancaire Française* and evidenced by a Confirmation (as defined in the AFB Agreement) with the holder of the relevant Certificate under which:

(a) the Issuer was the Floating Amount Payer;

(b) the Principal Certificate Agent (as defined herein) was the Agent (as defined in the AFB Agreement) or as otherwise specified in the applicable Final Terms;

(c) the Interest Commencement Date was the Transaction Date;

(d) the Notional Amount in respect of a Certificate was the Notional Amount;

(e) the Interest Payment Dates were the Floating Amount Payment Dates; and

(f) all other terms were as specified in the applicable Final Terms.

When the preceding sentence applies, in respect of each relevant Interest Payment Date:

(a) the amount of interest determined for such Interest Payment Date will be the Interest Amount for the relevant Interest Period for the purposes of these Terms and Conditions as though determined under sub-paragraph (vi) below;

(b) the Rate of Interest for such Interest Period will be the Floating Rate (as defined in the AFB Agreement) determined by the Principal Certificate Agent in accordance with the preceding sentence; and

(c) the Principal Certificate Agent will be deemed to have discharged its obligations under sub-paragraph (vi) below if it has determined the Rate of Interest and the Interest Amount payable on such Interest Payment Date in the manner provided in the preceding sentence.

(v) Screen Rate Determination

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

(a) the offered quotation; or

(b) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page as at the Specified Time indicated in the applicable Final Terms (which will be 11.00 a.m., London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of sub-paragraph a, no offered quotation appears or, in the case of sub-paragraph b, fewer than three offered quotations appear, in each case as at the Specified Time, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the inter-bank market applicable to the Reference Rate (which will be the London inter-bank market, if the Reference Rate is LIBOR, or the Euro-zone inter-bank market, if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the offered rate for deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent suitable for the purpose) informs the Calculation

Agent it is quoting to leading banks in the inter-bank market applicable to the Reference Rate (which will be the London inter-bank market, if the Reference Rate is LIBOR, or the Euro-zone inter-bank market, if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

If the Reference Rate from time to time in respect of Floating Rate Certificates is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Certificates will be determined as provided in the applicable Final Terms.

(vi) Determination of Rate of Interest and Calculation of Interest Amount

In the case of Floating Rate Certificates and Linked Interest Certificates the Calculation Agent will, on or as soon as practicable after each date on which the Rate of Interest is to be determined (the "**Interest Determination Date**"), determine the Rate of Interest (subject to any Minimum Interest Rate or Maximum Interest Rate specified in the applicable Final Terms) for the relevant Interest Period. In the case of Floating Rate Certificates and Linked Interest Certificates, the Calculation Agent will notify the Principal Certificate Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Calculation Agent will calculate the amount of interest (the "**Interest Amount**") payable on each Certificate for the relevant Interest Period by applying the Rate of Interest to the Notional Amount of such Certificate and multiplying such sum by the Day Count Fraction specified in the applicable Final Terms and rounding the resultant figure to the nearest sub-unit (defined above) of the relevant Specified Currency, one half of such a sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

(vii) Minimum and/or Maximum Interest Rate

If the applicable Final Terms specifies a Minimum Interest Rate for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of sub-paragraph (ii), (iii), (iv) or (v) above (as appropriate) is less than such Minimum Interest Rate, the Rate of Interest for such Interest Period shall be such Minimum Interest Rate.

If the applicable Final Terms specifies a Maximum Interest Rate for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of sub-paragraph (ii), (iii), (iv) or (v) above (as appropriate) is greater than such Maximum Interest Rate, the Rate of Interest for such Interest Period shall be such Maximum Interest Rate.

(viii) Notification of Rate of Interest and Interest Amount

The Calculation Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Principal Certificate Agent, the Issuer and the Guarantor (such notifications to occur no later than the Business Day following such determination), (in the case of Certificates which are listed on

Euronext Amsterdam and the rules of such stock exchange so require) Euronext Amsterdam and, if applicable, to any other stock exchange on which the relevant Certificates are for the time being listed. In addition, the Calculation Agent shall publish or cause to be published such Rate of Interest, Interest Amount and Interest Payment Date in accordance with Condition 11 as soon as possible after their determination but in no event later than the fourth Amsterdam Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Certificates are for the time being listed and to the Holders in accordance with Condition 11. For the purposes of the Terms and Conditions, the expression "**Amsterdam Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for business in Amsterdam. The determination of each Interest Rate and Interest Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(C) Day Count Fractions

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Interest Period:

(a) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:

(i) in the case of Certificates where the number of days in the relevant period from (and including) the most recent Interest Period End Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

(ii) in the case of Certificates where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(x) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and

(y) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year;

"**Determination Date(s)**" means the date(s) specified in the applicable Final Terms;

"**Determination Period**" means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the Interest Period End Date is not a Determination Date, the period

commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

(b) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(c) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(d) if "Actual/365 (sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(e) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(f) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D_1" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(g) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D_1" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D_2 will be 30;

(h) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D_1" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Redemption Date or (ii) such number would be 31, in which case D_2 will be 30.

Notwithstanding the foregoing, where the applicable Final Terms specifies that the relevant Day Count Fraction is "unadjusted", the Interest Period and the Interest Amount payable on any date shall not, unless otherwise provided in the application Final Terms, be affected by the application of any Business Day Convention.

(D) Interest on Linked Interest Certificates

In the case of Linked Interest Certificates the Rate of Interest and/or the Interest Amount shall be determined in the manner specified in the applicable Final Terms.

(E) Interest on Partly Paid Certificates

In the case of Partly Paid Certificates interest will accrue as aforesaid on the paid-up amount of such Certificates and otherwise as specified in the applicable Final Terms.

(F) Accrual of Interest

Each Certificate (or in the case of the redemption of part only of a Certificate, that part only of such Certificate) will cease to bear interest (if any) from the date for its redemption or exercise, as the case may be, unless payment of principal and/or delivery of all assets deliverable is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(i) the date on which all amounts due in respect of such Certificate have been paid and/or all assets deliverable in respect of such Certificate have been delivered; and

(ii) five days after the date on which the full amount of the moneys payable in respect of such Certificate has been received by the Principal Certificate Agent and/or all assets in respect of such Certificate have been received by any agent appointed by the Issuer to deliver such assets to Holders and notice to that effect has been given to the Holders in accordance with Condition 11.

6. Redemption of Certificates

(A) General

Unless the Certificates are Exercisable Certificates, subject as provided in these Terms and Conditions and as specified in the applicable Final Terms, each Certificate (other than a Credit Certificate) will be redeemed by the Issuer:

(i) in the case of a Cash Settled Certificate, by payment of the Cash Settlement Amount; or

(ii) in the case of a Physical Delivery Certificate, subject as provided in Condition 7 below, by delivery of the Entitlement,

such redemption to occur in either case, subject as provided below, on the date specified in the applicable Final Terms relating to such Certificate (the "**Redemption Date**"). If (i) the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any further payment in respect of such delay or (ii) the date for delivery of any Entitlement in respect of the Certificates is not a Settlement Business Day (as defined in Condition 7(B)(5) below), the Holder thereof shall not be entitled to delivery of the Entitlement until the next following Settlement Business Day.

The Certificates may also be subject to automatic early redemption upon the occurrence of an Automatic Early Redemption Event, as defined in and in accordance with the provisions of Annex 1 (Additional Terms and Conditions for Index Certificates), Annex 2 (Additional Terms and Conditions for Share Certificates) and Annex 5 (Additional Terms and Conditions for Commodity Certificates), Annex 8 (Additional Terms and Conditions for Fund Certificates) and Annex 11 (Additional Terms and Conditions for Futures Certificates) as specified in the applicable Final Terms.

(B) Credit Certificates

Subject as provided in these Terms and Conditions and as specified in the applicable Final Terms, each Credit Certificate will be redeemed by the Issuer by payment of the Cash Settlement Amount

such redemption to occur on the Redemption Date specified in the applicable Final Terms subject as provided in Annex 10 (Additional Terms and Conditions for Credit Certificates). If the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any payment in respect of such delay.

(C) Issuer Call Option

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may, having given:

(i) except in the case of Certificates represented by Private Placement Definitive Certificates and Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, not less than 15 nor more than 30 days' (or such other period specified in the applicable Final Terms) notice to the Holders in accordance with Condition 11 and, in the case of Certificates represented by Private Placement Definitive Certificates and Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, not less than 30 nor more than 45 days' notice to the Holders in accordance with Condition 11; and

(ii) not less than 15 days (or such other number of days specified in the applicable Final Terms) before the giving of the notice referred to in (i), notice to the relevant Certificate Agent,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Certificates then outstanding on any date fixed for redemption as specified in the applicable Final Terms (an "**Optional Redemption Date**") and at an amount (the "**Optional Redemption Amount**") specified in, or determined on the date (the "**Optional Redemption Valuation Date**") and in the manner specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date.

In the case of a partial redemption, the rights of Holders of Certificates represented by a Global Certificate, or Holders of Italian Dematerialised Certificates or Swedish Certificates will, unless otherwise provided in the applicable Final Terms, be governed by the standard procedures of Euroclear, Clearstream Luxembourg, Euroclear France, DTC, Monte Titoli, Euroclear Sweden, as applicable, or any relevant Clearing System (as the case may be). With respect to Certificates represented by Private Placement Definitive Certificates, the Definitive Certificate Agent will select the Certificates to be redeemed individually by lot, not more than 45 days prior to the date fixed for redemption, and give notice to Holders, in accordance with Condition 11, of the serial numbers of the Certificates to be redeemed not less than 15 days prior to the date fixed for redemption. Private Placement Definitive Certificates may only be redeemed in minimum amounts of U.S.$250,000 or more, and the remaining unredeemed portion thereof must be at least U.S.$250,000. So long as the Certificates are listed on the official list of Euronext Amsterdam ("**Euronext Amsterdam**") and admitted to trading on the regulated market of Euronext Amsterdam and the rules of that stock exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Certificates, cause to be published on the website of Euronext Amsterdam ("www.euronext.com") a notice specifying the aggregate nominal amount of Certificates outstanding.

(D) Holder Put Option

If Holder Put Option is specified in the applicable Final Terms, upon the Holder of any Certificate giving to the Issuer not less than 15 nor more than 30 days' notice (or such other period specified in the applicable Final Terms) the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such

Certificate on any date fixed for redemption as specified in the applicable Final Terms (an "**Optional Redemption Date**") and at an amount (the "**Optional Redemption Amount**") specified in, or determined on the date (the "**Optional Redemption Valuation Date**") and in the manner specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date (each date and amount as specified in the applicable Final Terms).

If the Certificate is held outside DTC, Euroclear and Clearstream, Luxembourg, Euroclear France and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must deliver at the specified office of any Certificate Agent at any time during normal business hours of such Registrar or Certificate Agent falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Certificate Agent (a "**Put Notice**") and in which the Holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 6(D), accompanied by the Certificate or evidence satisfactory to the Certificate Agent concerned that the Certificate will, following delivery of the Put Notice, be held to its order or under its control in a manner reasonably satisfactory to the Certificate Agent concerned. If the Certificate is held through DTC, Euroclear or Clearstream, Luxembourg, Euroclear France, Monte Titoli, Euroclear Sweden and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must, within the notice period, give notice to the Certificate Agent concerned of such exercise in accordance with the standard procedures of DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Monte Titoli, Euroclear Sweden and/or any other relevant Clearing System (which may include notice being given on his instruction by DTC, Euroclear or Clearstream, Luxembourg, Euroclear France, Monte Titoli, Euroclear Sweden and/or any other relevant Clearing System or any common depositary for them to the Certificate Agent by electronic means) in a form acceptable to DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Monte Titoli, Euroclear Sweden and/or any other relevant Clearing System from time to time and, if the Certificate is represented by a Global Certificate, at the same time present or procure the presentation of the relevant Global Certificate to the relevant Certificate Agent for notation accordingly. Any Put Notice given by a Holder of any Certificate pursuant to this Condition 6(D) shall be irrevocable.

(E) Redemption in Instalments

If the applicable Final Terms specify that the Certificates are Instalment Certificates, each Certificate will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms.

(F) Redemption of Partly Paid Certificates

Partly Paid Certificates will be redeemed in accordance with the provisions set out in the applicable Final Terms.

(G) Exercise of Certificates

If the Certificates are Cash Settled Certificates and Exercise of Certificates is specified as applicable in the applicable Final Terms, the Certificates (such Certificates "**Exercisable Certificates**") will be automatically exercised on the Exercise Date, or, if Multiple Exercise is specified as applicable in the applicable Final Terms, each Exercise Date subject as provided in the following paragraph and, in the case of Credit Certificates, to the provisions of Annex 10 (*Additional Terms and Conditions for Credit Certificates*). Upon automatic exercise each Certificate entitles its Holder to receive from the Issuer the Cash Settlement Amount on the Redemption Date or, if Multiple Exercise is specified as applicable in the applicable Final Terms, the relevant Exercise Settlement Date.

If the Certificates are Italian Listed Certificates, prior to the Renouncement Notice Cut-off Time, as specified in the applicable Final Terms, on an Exercise Date, the Holder of a Certificate may renounce automatic exercise of such Certificate by the delivery or sending by fax of a duly completed Renouncement Notice (a "**Renouncement Notice**") in the form set out in the applicable Final Terms to the Italian Certificate Agent. Once delivered a Renouncement Notice shall be irrevocable. Any determination as to whether a Renouncement Notice is duly completed and in proper form shall be made by the Italian Certificate Agent (in consultation with Monte Titoli) and shall be conclusive and binding on the Issuer, the Guarantor, if applicable, the Certificate Agents and the relevant Holder. Subject as set out below, any Renouncement Notice so determined to be incomplete or not in proper form shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the Italian Certificate Agent, it shall be deemed to be a new Renouncement Notice submitted at the time such correction was delivered to the Italian Certificate Agent.

(H) Open End Certificates

"Open End" may be specified as applicable in the relevant Final Terms, in respect of French Law Certificates only. If "Open End" is specified as applicable in the relevant Final Terms, the Redemption Date of such Open End Certificates will, notwithstanding any provision to the contrary, be the date falling (5) five Business Days after the relevant Averaging Date, Observation Date, Strike Date or, as applicable, Valuation Date determined by the Issuer in its sole discretion, provided that the relevant Averaging Date, Observation Date, Strike Date or Valuation Date so-determined by the Issuer is notified to the Holders at the latest ten (10) Business Days prior to the contemplated date in accordance with Condition 11.

If a Certificate is an Open End Certificate, "Knock-in Event" and "Knock-out Event" may not be specified as applicable in the relevant Final Terms in respect of such Certificate.

7. Payments and Physical Delivery

(A) Payments

Except in the case of Swedish Certificates and subject as provided below, the Issuer or, failing which, the Guarantor, if any, shall pay or cause to be paid the Cash Settlement Amount or Credit Event Redemption Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) for each Certificate by credit or transfer to the Holder's account with the relevant Clearing System or the Definitive Certificate Agent, as the case may be (in the case of English Law Certificates other than Swedish Certificates and Euroclear France Certificates) or with the relevant Account Holder (in the case of Euroclear France Certificates) for value on the Redemption Date (or (a) in the case of Instalment Certificates, on the relevant Instalment Date; or (b) if Multiple Exercise is specified as applicable in the applicable Final Terms, on the relevant Exercise Settlement Date) less any Expenses, such payment to be made in accordance with the rules of such Clearing System or the Definitive Certificate Agent, as the case may be or Account Holder.

Except in the case of Swedish Certificates and where the Certificates pay interest, subject as provided below, the Issuer, failing which, the Guarantor, if any, shall pay or cause to be paid the Interest Amount for each Certificate in respect of each Interest Payment Date by credit or transfer to the Holder's account with the relevant Clearing System or in the case of Private Placement Definitive Certificates, the office of the Definitive Certificate Agent, as the case may be, for value on the relevant Interest Payment Date, such payment to be made in accordance with the rules of such Clearing System or the Definitive Certificate Agent, as the case may be.

Except in the case of Swedish Certificates, the Issuer or the Guarantor will be discharged by payment to, or to the order of, the relevant Clearing System or the Definitive Certificate Agent, as the case may be, or, as the case may be, the relevant Account Holder, in respect of the amount so paid. Each of the persons shown in the records of the relevant Clearing System or the Definitive Certificate Agent, as the case may be, or whose name appears in the account of the relevant Account Holder (in the case of Euroclear France Certificates) as the holder of a particular amount of the Certificates must look solely to the relevant Clearing System or the Definitive Certificate Agent, as the case may be, or, as the case may be, the relevant Account Holder for his share of each such payment so made to, or to the order of, such Clearing System or the Definitive Certificate Agent, as the case may be or Account Holder.

In the case of Private Placement Definitive Certificates only, if a Holder has given wire transfer instructions to the Issuer and Definitive Certificate Agent, the Company will make all payments in accordance with those instructions.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment.

In the case of Swedish Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Credit Event Redemption Amount (if any) and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Sweden on the fifth Business Day immediately prior to the Redemption Date (or in the case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Payment Date**") (the "**Record Date**"). The Swedish Certificate Agent will pay the relevant amount through Euroclear Sweden to each Holder appearing in the Euroclear Sweden Register on the Record Date on the Payment Date.

(B) Physical Delivery

(1) Asset Transfer Notices

In relation to Physical Delivery Certificates, in order to obtain delivery of the Entitlement(s) in respect of any Certificate, the relevant Holder must (a) in the case of Global Certificates held by a Common Depositary on behalf of Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System or by Euroclear France, deliver to Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, as the case may be, or, as the case may be, the relevant Account Holder (in the case of Euroclear France Certificates), not later than 10.00 a.m. (Local Time) on the Cut-off Date, (b) in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, deliver to the New York Certificate Agent not later than 5.00 p.m., New York City time on the Business Day in New York preceding the Cut-off Date or (c) in the case of Certificates represented by Private Placement Definitive Certificates, deliver to the Definitive Certificate Agent, not later than 5.00 p.m., New York City time on the Business Day in New York preceding the Cut-off Date, with a copy to the relevant Certificate Agent, a duly completed asset transfer notice (an "**Asset Transfer Notice**") in the form set out in the Agency Agreement in accordance with the provisions set out in this Condition.

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

In the case of Global Certificates, an Asset Transfer Notice may only be delivered in such manner as is acceptable to the relevant Clearing System or, as the case may be, the relevant Account Holder, which is expected to be by authenticated SWIFT message or tested telex or,

in the case of the New York Certificate Agent and in the case of the Definitive Certificate Agent, by facsimile.

The Asset Transfer Notice shall:

(i) specify the name, address and contact telephone number of the relevant Holder and the person from whom the Issuer may obtain details for the delivery of the Entitlement;

(ii) specify the series number of the Certificates and the number of Certificates which are the subject of such notice;

(iii) in the case of Global Certificates, specify the number of the Holder's securities account at the relevant Clearing System or, as the case may be, the relevant Account Holder to be debited with such Certificates or, in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, specify the designated account at DTC to be debited with such Certificates;

(iv) (a) in the case of Global Certificates, irrevocably instruct the relevant Clearing System or, as the case may be, the relevant Account Holder to debit the relevant Holder's securities account with the relevant Certificates or, in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, irrevocably instruct the New York Certificate Agent to debit the relevant Holder's account with the relevant Certificates or (b) in the case of Private Placement Definitive Certificates, irrevocably instruct the Definitive Certificate Agent to remove from the Private Placement Register on or before the Redemption Date or (in the case of Credit Certificates) the Settlement Date the Certificates which are subject of such notice;

(v) (a) in the case of Global Certificates, include an undertaking to pay all Expenses and an authority to the relevant Clearing System or, as the case may be, the relevant Account Holder to debit a specified account of the Holder with the relevant Clearing System or, as the case may be, the relevant Account Holder, in respect thereof and to pay such Expenses or, in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, an authority to the New York Certificate Agent to debit a specified account of the Holder and to pay such Expenses or (b) in the case of Private Placement Definitive Certificates, include an undertaking to pay all Expenses and an authority to the Definitive Certificate Agent to deduct an amount in respect thereof from any amount due to such Holder and/or debit a specified account of the Holder in respect thereof;

(vi) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and (a) in the case of Certificates represented by a Global Certificate held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, specify the name and number of the Holder's account with the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with any cash payable by the Issuer, either in respect of any amounts payable pursuant to Credit Condition 7, any other cash amount constituting the Entitlement or any dividends relating to the Entitlement or

as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Cash Settlement Price, as applicable, or as a result of the Issuer electing to pay the Alternate Cash Amount, (b) in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, specify the details of the account to be credited with any cash payable by the Issuer, either in respect of any amounts payable pursuant to Credit Condition 7, any other cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of BNPP electing to pay the Alternate Cash Amount, or (c) in the case of Private Placement Definitive Certificates, specify the details of the account to be credited with any cash payable by BNPP either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement, or as a result of BNPP electing to pay the Alternate Cash Amount;

(vii) with respect to Currency Certificates only, (a) in the case of Global Certificates other than a Rule 144A Global Certificate specify the number of the Holder's account to the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with the amount due upon redemption of the Certificates, (b) in the case of Currency Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, specify the designated account at DTC to be credited with the amount due upon redemption of the Certificates, or (c) in the case of Private Placement Definitive Certificates, specify the details of the account to be credited with the amount due upon redemption of the Certificates;

(viii) certify, in the case of Global Certificates other than a Rule 144A Global Certificate, that the beneficial owner of each Certificate is not a U.S. person (as defined in the Asset Transfer Notice), the Certificate is not being redeemed within the United States or on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any redemption thereof; and, where appropriate, including in the case of a Rule 144A Global Certificate, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities and other laws of the United States of America as required by BNPP or indicated and set out in the applicable Final Terms;

(ix) in the case of Private Placement Definitive Certificates, include an undertaking to provide such various forms of certification in respect of restrictions under the securities, commodities and other laws of the United States of America as required by BNPP or indicated and set out in the applicable Final Terms;

(x) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

If Condition 7(C) applies, the form of Asset Transfer Notice required to be delivered will be different from that set out above. Copies of such Asset Transfer Notice may be obtained from the relevant Clearing System or, as the case may be, the relevant Account Holder and the relevant Certificate Agent.

(2) Verification of the Holder

Upon receipt of an Asset Transfer Notice, the relevant Clearing System or, as the case may be, the relevant Account Holder shall verify that the person delivering the Asset Transfer Notice is the holder of the Certificates described therein according to its records. Subject thereto, the relevant Clearing System or, as the case may be, the relevant Account Holder will confirm to the Principal Certificate Agent the series number and number of Certificates the subject of such notice, the relevant account details and the details for the delivery of the Entitlement of each Certificate. Upon receipt of such confirmation, the Principal Certificate Agent will inform the Issuer thereof. The relevant Clearing System or, as the case may be, the relevant Account Holder will on or before the Delivery Date or (in the case of Credit Certificates) the Settlement Date debit the securities account of the relevant Holder with the relevant Certificates.

In the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, upon receipt of an Asset Transfer Notice, the New York Certificate Agent shall verify that the person delivering the Asset Transfer Notice is the Holder according to the records of DTC. Subject thereto, the New York Certificate Agent will confirm the series number and number of Certificates the subject of such notice, the relevant account details and the details for the delivery of the Entitlement of each Certificate. Upon receipt of such confirmation, the New York Certificate Agent will inform BNPP thereof. The New York Certificate Agent will, on or before the Delivery Date or (in the case of Credit Certificates) the Settlement Date, debit the account of the relevant Holder with the relevant Certificates. In the case of Private Placement Definitive Certificates, upon receipt of an Asset Transfer Notice, the Definitive Certificate Agent shall verify that the person delivering the Asset Transfer Notice is the Holder according to the Private Placement Register. Subject thereto, the Definitive Certificate Agent will confirm the series number and number of Certificates the subject of such notice and the details for the delivery of the Entitlement of each Certificate. Upon receipt of such confirmation, the Definitive Certificate Agent will inform BNPP thereof. The Definitive Certificate Agent will, on or before the Delivery Date or (in the case of Credit Certificates) the Settlement Date, update the Private Placement Register.

(3) Determinations and Delivery

Any determination as to whether an Asset Transfer Notice is duly completed and in proper form shall be made by (i) in the case of Global Certificates (other than Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC), the relevant Clearing System or, as the case may be, the relevant Account Holder, (ii) in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, the New York Certificate Agent, or (iii) in the case of Private Placement Definitive Certificates, the Definitive Certificate Agent, in each case, in consultation with the Principal Certificate Agent, and shall be conclusive and binding on the Issuer, the Guarantor, if any, the Certificate Agents and the relevant Holder. Subject as set out below, any Asset Transfer Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Certificate Agent immediately after being delivered or sent to the relevant Clearing System or, as the case may be, the relevant Account Holder, the New York Certificate Agent or the Definitive Certificate Agent, as provided in paragraph (1) above, shall be null and void.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of the relevant Clearing System, the New York Certificate Agent or the Definitive Certificate Agent or, as

the case may be, the relevant Account Holder in consultation with the Principal Certificate Agent, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered to the relevant Clearing System or, as the case may be, the relevant Account Holder and the Principal Certificate Agent.

The relevant Clearing System, the New York Certificate Agent or the Definitive Certificate Agent, as the case may be, or, as the case may be, the relevant Account Holder shall use its best efforts promptly to notify the Holder submitting an Asset Transfer Notice if, in consultation with the Principal Certificate Agent, it has determined that such Asset Transfer Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, if any, the Certificate Agents or the relevant Clearing System or, as the case may be, the relevant Account Holder shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

No Asset Transfer Notice may be withdrawn after receipt thereof by the relevant Clearing System, the relevant Account Holder or the relevant Certificate Agent, as the case may be, as provided above. After delivery of an Asset Transfer Notice, the relevant Holder may not transfer the Certificates which are the subject of such notice.

The Entitlement will be delivered at the risk of the relevant Holder, in the manner provided below on the Redemption Date (such date, subject to adjustment in accordance with this Condition, the "**Delivery Date**") or (in the case of Credit Certificates) the Settlement Date, provided that the Asset Transfer Notice is duly delivered to the relevant Clearing System or the relevant Certificate Agent or, as the case may be, the relevant Account Holder with a copy to the Principal Certificate Agent, as provided above on or prior to the Cut-Off Date.

If a Holder fails to give an Asset Transfer Notice as provided herein with a copy to the Principal Certificate Agent, on or prior to the Cut-Off Date, then the Entitlement will be delivered or, as the case may be, Delivered as soon as practicable after the Redemption Date (in which case, such date of delivery shall be the Delivery Date) or (in the case of Credit Certificates) the Settlement Date, at the risk of such Holder in the manner provided herein. For the avoidance of doubt, in such circumstances such Holder shall not be entitled to any payment, whether of interest or otherwise, as a result of the Delivery Date or the Settlement Date, as the case may be, falling after the Redemption Date or the originally designated Settlement Date, as applicable, and no liability in respect thereof shall attach to the Issuer or the Guarantor, if any.

The Issuer shall at the risk of the relevant Holder, deliver or procure the delivery of the Entitlement or (in the case of Credit Certificates) Deliver the Deliverable Obligations comprising the Entitlement for each Certificate, pursuant to the details specified in the Asset Transfer Notice or in such commercially reasonable manner as the Calculation Agent shall in its sole discretion determine and notify to the person designated by the Holder in the relevant Asset Transfer Notice. All Expenses arising from the delivery of the Entitlement or Delivery of the Deliverable Obligations comprising the Entitlement, as the case may be, in respect of such Certificates shall be for the account of the relevant Holder and no delivery of the Entitlement or Delivery of the Deliverable Obligations comprising the Entitlement, as the case may be, shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Holder.

(4) General

Certificates held by the same Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Certificates, provided that, the aggregate Entitlements in respect of the same Holder will be rounded down to the nearest whole unit of the Relevant Asset, each of the Relevant Assets, the Deliverable Obligation or the Deliverable Obligations, as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Relevant Asset, of each of the Relevant Assets, the Deliverable Obligation or the Deliverable Obligations, as the case may be, will not be delivered and in lieu thereof a cash adjustment calculated by the Calculation Agent in its sole and absolute discretion shall be paid to the Holder.

Following the Delivery Date of a Share Certificate 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 Delivery 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 Asset Transfer Notice as referred to in Condition 7(B)(1).

For such period of time after delivery or Delivery of the Entitlement as the Issuer or any person acting on behalf of the Issuer shall continue to be the legal owner of the securities or Deliverable Obligations comprising the Entitlement (the "**Intervening Period**"), none of the Issuer, the Guarantor, if any, the Calculation Agent nor any other person shall at any time (i) be under any obligation to deliver or procure delivery to any Holder any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such securities, obligations or Deliverable Obligations, (ii) be under any obligation to exercise or procure exercise of any or all rights attaching to such securities, obligations or Deliverable Obligations or (iii) be under any liability to a Holder in respect of any loss or damage which such Holder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening Period as legal owner of such securities, obligations or Deliverable Obligations.

(5) Settlement Disruption

The provisions of this Condition 7(B)(5) apply to Physical Delivery Certificates other than Credit Certificates.

If, in the opinion of the Calculation Agent, delivery of the Entitlement using the method of delivery specified in the applicable Final Terms or such commercially reasonable manner as the Calculation Agent has determined is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on the Delivery Date, then the Delivery Date 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 Certificate by delivering the Entitlement using such other commercially reasonable manner as it may select and in such event the Delivery 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 Delivery Date for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Delivery Date. 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. Certificates (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 Certificate 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 Certificate 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.

For the purposes hereof:

"**Disruption Cash Settlement Price**", in respect of any relevant Certificate, shall be the fair market value of such Certificate (disregarding, where the Settlement Disruption Event affected some but not all of the Relevant Assets comprising the Entitlement and such non-affected Relevant Assets have been duly delivered as provided above, the value of such non-affected Relevant Assets), less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion;

"**Settlement Business Day**", in respect of each Certificate, has the meaning specified in the applicable Final Terms relating to such Certificate; 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.

(6) 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).

(C) Variation of Settlement

The provisions of this Condition 7(C) apply to Physical Delivery Certificates other than Credit Certificates.

(i) If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Certificates (which, unless otherwise specified, will not apply to U.S. Certificates), the Issuer may at its sole and unfettered discretion in respect of each such Certificate, 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 Redemption Date to the relevant Holders, as the case may be. Notification of such election will be given to Holders in accordance with Condition 11.

(ii) If specified in the applicable Final Terms, the Issuer shall, in respect of each Certificate, in lieu of delivering or procuring the delivery of the Entitlement to the relevant Holders, make payment of the Cash Settlement Amount on the Redemption Date to the relevant Holders.

(D) Issuer's Option to Substitute Assets or to pay the Alternate Cash Amount

The provisions of this Condition 7(D) apply to Physical Delivery Certificates other than Credit Certificates.

Following a valid redemption of Certificates in accordance with these Conditions, the Issuer may, in its sole and absolute discretion in respect of such Certificates, 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 (i) 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 (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 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 the purposes hereof, a "**freely tradable**" share shall mean (i) 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 (ii) with respect to any other jurisdiction, a share not subject to any legal restrictions on transfer in such jurisdiction.

(E) Rights of Holders and Calculations

None of the Issuers, the Guarantor, the Calculation Agent and the Certificate Agents shall have any responsibility for any errors or omissions in the calculation of any Cash Settlement Amount or of any Entitlement.

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

(F) Prescription

Claims against the Issuer or the Guarantor, if any, for payment of principal or interest in respect of the Certificates shall become void unless made within 60 months from the Redemption Date and no claims shall be made after such date.

8. Illegality and Force Majeure

(A) Illegality

If the Issuer determines that the performance of its obligations under the Certificates has become illegal in whole or in part for any reason, the Issuer may, on giving notice to Holders in accordance with Condition 11, redeem all but not some only of the Certificates.

If the Issuer redeems the Certificates early 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. Certificates, pay to each Holder in respect of each Certificate held by such Holder an amount equal to the fair market value of a Certificate, notwithstanding such illegality less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (unless otherwise provided in the relevant Final Terms) 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.

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.

(B) 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 Certificates and/or any related hedging arrangements, the Issuer may redeem the Certificates by giving notice to Holders in accordance with Condition 11.

If the Issuer redeems the Certificates then the Issuer will, if and to the extent possible or practicable, pay an amount (if any) to each Holder in respect of each Certificate held by such Holder, which amount shall be the fair market value (if any) of a Certificate 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, 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 Certificates at any price in the open market or by tender or private treaty. In the case of BNPP B.V., any Certificates so purchased may be held or resold or surrendered for cancellation; provided, however, that Certificates 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. In the case of BNPP, any Certificates so purchased will forthwith be cancelled and accordingly may not be re-issued or resold.

10. Certificate Agents, Determinations, Meetings Provisions and Modifications

(A) Certificate Agents

The specified offices of each Certificate Agent are as set out at the end of these Terms and Conditions.

Each of the Issuer and the Guarantor, if any, reserves the right at any time to vary or terminate the appointment of any Certificate Agent and to appoint further or additional Certificate Agents, provided that no termination of appointment of the Agent shall become effective until a replacement Certificate Agent shall have been appointed and provided that, so long as any of the Certificates are listed on a stock exchange or are admitted to trading by another relevant authority, there shall be an Agent having a specified office in each location required by the rules and regulations of the relevant stock exchange or other relevant authority. So long as any of the Certificates are Private Placement Definitive Certificates, there shall be a Definitive Certificate Agent, and so long as any of the Certificates are represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, there shall be a New York Certificate Agent. Notice of any termination of appointment and of any changes in the specified office of the Certificate Agent will be given to Holders in accordance with

Condition 11. In acting under the Agency Agreement, the Certificate Agent acts solely as agent of the Issuer and the Guarantor and does 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 Certificates by the Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, if any, and the respective Holders.

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

(B) Calculation Agent

In relation to each issue of Certificates, the Calculation Agent (whether it be BNP Paribas, BNP Paribas Arbitrage S.N.C. or another entity) acts solely as agent of the Issuer and the Guarantor, if any, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. All calculations and determinations made in respect of the Certificates 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.

(C) 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.

(D) Meetings of Holders

(i) English Law Certificates

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

at such meeting as, being entitled to do so, vote in person or by proxy. An Extraordinary Resolution passed at any meeting of the Holders shall be binding on all the Holders, whether or not they are present at the meeting. Resolutions can be passed in writing if passed unanimously.

(ii) French Law Certificates

(a) Representation

In respect of any series of French Law Certificates, Holders shall not be grouped automatically for the defence of their common interests in a *masse* constituting a separate legal body and governed by the provisions of Articles L.228-46 *et seq* of the French *Code de commerce.* Consequently, the Holders shall not be represented by any representative of such body.

However, general meetings of Holders (a "**General Meeting**") may be convened to consider some matters relating to any series of Certificates as provided hereunder.

(b) Powers of the General Meetings

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

(A) power to agree to any modification of the Certificates, including but not limited to, a modification of the Cash Settlement Amount, Entitlement, Redemption Date, Settlement Date or more generally the modification of any term which can affect the amount to be paid under a Certificate or the scheduled payment date, which is proposed by the Issuer;

(B) power to give any authority or approval which under the provisions of this Condition 10(D)(ii) is required to be given by a resolution of the General Meeting;

(C) power to appoint any persons (whether Holders or not) on a committee or committees to confer upon any such committee or committees any powers or discretions which the Holders could themselves exercise by a resolution of the General Meeting; and

(D) power to approve any contractual compromise or arrangement proposed to be made between the Issuer and the relevant Holders in respect of the rights of the Holders against the Issuer or against any of its property.

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

(i) appoint any person as the representative of the Holders of any series for all actions intended to defend the common interests of the Holders, and particularly to bring any court or arbitration action or proceedings, against the Issuer or any Agent; and

(ii) agree on (1) any modification of the majority required to pass a resolution of the General Meeting, (2) any proposal relating to a change in the Issuer's corporate purpose or status, (3) any proposal for a settlement or a

transaction concerning disputed rights or rights in respect of which court decisions have been handed down, or (4) proposals to merge or demerge the Issuer.

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

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

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 11 by the Issuer within 14 calendar days of the result being known provided that non-publication shall not invalidate the resolution.

(c) Convening and holding of the General Meeting

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

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

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

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

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

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

The rights of each Holder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Holder on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting at 0:00, Paris time. The voting right in General Meetings shall belong to the bare owner (*nu-propriétaire*) of the relevant Certificates. Each Certificate shall confer the right to one vote.

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

(d) Information to Holders

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

(e) Expenses

The Issuer will pay all expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable under the Certificates.

(E) Modifications

The Issuer may modify these Terms and Conditions and/or the Agency Agreement without the consent of the Holders (but in the case of Swedish Certificates with the consent of Euroclear Sweden) 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) in the case of Global Certificates represented by a Global Certificate (other than Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, Italian Listed Certificates, Euroclear France Certificates listed on Euronext Paris and Certificates issued and cleared through Iberclear and listed on the Madrid Stock Exchange) and Italian Dematerialised Certificates, delivered to the relevant Clearing System (in the case of English Law Certificates) or in the case of French Law Certificates to the relevant Account Holder for communication by them to the Holders, (b) in the case of Global Certificates represented by a Global Certificate which are Italian Listed Certificates or Euroclear France Certificates listed on Euronext Paris, published by Borsa Italiana S.p.A. or Euronext Paris, as the case may be, (c) in the case of Global Certificates represented by a Global Certificate which are issued and cleared through Iberclear and listed on the Madrid Stock Exchange, published by the Madrid Stock Exchange or, if applicable, in the manner specifically provided by Spanish law and regulations for the relevant notice, as the case may be, (d) in the case of Certificates represented by a Rule 144A Global Certificate 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, (e) in the case of Certificates represented by Private Placement Definitive Certificates, mailed to their registered addresses appearing in the Private Placement Register, (f) in the case of Swedish Certificates, mailed to Euroclear Sweden in accordance with the SFIA Act and the Euroclear Sweden rules or (g) so long as the Certificates are listed on a stock exchange, published in accordance with the rules and regulations of the relevant stock exchange. If the Certificates are listed and admitted to trading on either the EuroMTF Market of the Luxembourg Stock Exchange or listed on the Official List of the Luxembourg Stock Exchange, and so long as the rules of the Luxembourg Stock Exchange so require, notices shall be made available on the website of the Luxembourg Stock Exchange ("www.bourse.lu"). Any such notice shall be deemed to have been given on the second Business Day following such delivery or, if earlier, the date of such publication or, if published more than once, on the date of the first such publication.

12. Expenses and Taxation

(A) A Holder must pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the redemption (or in the case of Exercisable Certificates, exercise) of such Certificates and/or the delivery or transfer of the Entitlement (as applicable) pursuant to the terms of such Certificates ("**Certificate Expenses**") relating to such Certificates as provided above.

(B) The Issuer shall deduct from amounts payable or from assets deliverable to Holders all Related Expenses, not previously deducted from amounts paid or assets delivered to Holders, as the Calculation Agent shall in its sole and absolute discretion determine are attributable to the Certificates.

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

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

"**Related Expenses**" means (a) all present, future, prospective, contingent or anticipated Taxes which are (or may be) or were (or may have been) withheld or payable under the laws, regulations or administrative practices of any state (or any political sub-division or authority thereof or therein) and

(b) any other present, future or contingent expenses (including without limitation, any applicable depositary charges, transaction charges, issue, registration, securities transfer or other expenses) which are (or may be) or were (or may have been) payable, in each case in respect of or in connection with:

(i) the issue, transfer or enforcement of the Certificates;

(ii) any payment (or delivery of assets) to Holders;

(iii) a person or its agent's assets or any rights, distributions of dividends appertaining to such assets (had such an investor (or agent) purchased, owned, held, realised, sold or otherwise disposed of assets) in such a number as the Calculation Agent, in its sole and absolute discretion, may determine to be appropriate as a hedge or related trading position in connection with the Certificates; or

(iv) any of the Issuer's (or any Affiliates') other hedging arrangements in connection with the Certificates.

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

13. Further Issues

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

14. Substitution of the Issuer or the Guarantor

(A) Except in the case of U.S. Certificates, 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 Certificates any company (the "**Substitute**"), being the Issuer or any other company, subject to:

(i) 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 Certificates;

(ii) all actions, conditions and things required to be taken, fulfilled and done to ensure that the Certificates represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and are in full force and effect;

(iii) 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;

(iv) each stock exchange on which the Certificates are listed shall have confirmed that, following the proposed substitution of the Substitute, the Certificates will continue to be listed on such stock exchange and in the case of Swedish Certificates, Euroclear Sweden has consented to such substitution (such consent not to be unreasonably withheld or delayed);

(v) (if appropriate, the Substitute shall have appointed a process agent as its agent in England (in the case of English Law Certificates) or France (in the case of French Law Certificates) to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Certificates; and

(vi) 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.

(B) 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 Certificates any company (the "**Substitute Guarantor**"), being BNPP or any other company, subject to:

(i) 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);

(ii) the Substitute Guarantor having entered into a guarantee (the "**Substitute Guarantee**") in respect of the Certificates 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 Certificates in place of BNPP (or of any previous substitute under this Condition);

(iii) 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 Certificates remain outstanding and for so long as any claim made against the Substitute Guarantor or the Issuer by any Holder in relation to the Certificates, the Substitute Guarantee or the Documents shall not have been finally adjudicated, settled or discharged;

(iv) each stock exchange on which the Certificates are listed having confirmed that following the proposed substitution of the Substitute Guarantor (or of any previous substitute under this Condition) it will continue to list the Certificates and in the case of Swedish Certificates, Euroclear Sweden has consented to such substitution (such consent not to be unreasonably withheld or delayed);

(v) if appropriate, the Substitute Guarantor having appointed a process agent as its agent in England (in the case of English Law Certificates) or France (in the case of French Law Certificates) to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Certificates or the Substitute Guarantee; and

(vi) 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

(A) English Law Certificates

(i) The English Law Certificates (including Swedish Certificates and Italian Dematerialised Certificates), the English Law Agency Agreement and the English Law Guarantee and any non-contractual obligations arising out of or in connection with the English Law Certificates (including Swedish Certificates and Italian Dematerialised Certificates), the English Law Agency Agreement and the English Law Guarantee are governed by and shall be construed in accordance with English law.

(ii) This Condition is for the benefit of the Holders of English Law Certificates 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 Certificates, the English Law Agency Agreement and the English Law Guarantee (including any disputes relating to any non-contractual obligations arising out of or in connection with the English Law Certificates, the English Law Agency Agreement 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 (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the English Law Certificates, the English Law Agency Agreement and the English Law Guarantee). 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 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.

(iii) 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 its or their agent in England to receive service of process in any Proceedings in England relating to the English Law Certificates 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 BNPP B.V. Guarantor agrees to appoint a substitute process agent and to notify the Holders of English Law Certificates of such appointment. Nothing in these provisions shall affect the right to serve process in any other manner permitted by law.

(B) French Law Certificates

(i) The French Law Certificates, 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(B) 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.

(ii) Futures Certificates and Open End Certificates may only be issued in the form of French Law Certificates.

16. Additional Disruption Events

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

"**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, Stop-Loss Event, Force Majeure Event and/or Jurisdiction Event in each case if specified in the applicable Final Terms, save that in respect of Debt Certificates 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 such Debt Certificates;

"**Change in Law**" means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, 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 Certificates), any relevant hedge positions relating to an Index (in the case of Index Certificates) or any relevant hedge positions relating to a Commodity or Commodity Index (in the case of Commodity Certificates) or any relevant hedge positions relating to a Custom Index (in the case of Custom Index Certificates);

"**Failure to Deliver due to Illiquidity**" means, following the exercise of Physical Delivery Certificates, 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) or any futures or option contracts on any Commodity or, in the case of a Commodity Index, Component on the relevant Exchange (in the case of Commodity Certificates) 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 Certificates, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s), asset(s) or futures or options contract(s) or any relevant hedge positions relating to a Custom Index (in the case of Custom Index Certificates);

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

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or options contract on any Commodity or, in the case of a Commodity Index, Component (in the case of Commodity Certificates) or in respect of any Custom Index Certificates relating to a Custom Index it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange and interest risk) of the Issuer issuing and performing its obligations with respect to the

Certificates, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) or any such futures or options contract(s) or in respect of any Custom Index Certificates being any relevant hedge positions relating to a Custom Index provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging;

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

"**Initial Stock Loan Rate**" means, in respect of a Share (in the case of Share Certificates), a component security comprised in an Index (in the case of Index Certificates), a Commodity or, in the case of a Commodity Index, Component (in the case of Commodity Certificates) or any component comprised in a Custom Index (in the case of Custom Index Certificates), 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 Certificates), any component security comprised in an Index (in the case of Index Certificates) or any Commodity or, in the case of a Commodity Index, Component (in the case of Commodity Certificates) or any component comprised in a Custom Index (in the case of Custom Index Certificates) 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 Certificates), a component security comprised in an Index (in the case of Index Certificates) any Commodity or in the case of a Commodity Index, Component (in the case of Commodity Certificates) or any component comprised in a Custom Index (in the case of Custom Index Certificates) the Maximum Stock Loan Rate specified in the applicable Final Terms.

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

(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 Certificates 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 Certificates;

"**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 or any options or futures contracts or other hedging arrangement in relation to the Shares (for the purposes of hedging the Issuer's obligations under the Certificates) 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 or any options or futures contracts in relation to the Shares 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 Certificates;

"**Force Majeure Event**" means that, on or after the Trade Date, the performance of the Issuer's obligations under the Certificates 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 the Issuer's control, or (c) any expropriation, confiscation, requisition, nationalisation or other action taken or threatened by any Government Authority that deprives the Issuer and/or any of its 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 or any options or futures contracts in relation to the Shares in order for the Issuer to perform its obligations under the Certificates or in respect of any relevant hedging arrangements in connection with the Certificates (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 and/or any of its Affiliates in order to hedge, either individually or on a portfolio basis, the Certificates) 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), (ii) or, if applicable, (iii) or (iv), as the case may be, 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 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;

(ii) unless Delayed Redemption on Occurrence of Additional Disruption Event is specified in the applicable in the applicable Final Terms, on giving notice to Holders in accordance with Condition 11, redeem all but not some only of the Certificates, each Certificate being redeemed by payment of an amount equal to the fair market value of a Certificate taking into account the Additional Disruption Event 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 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;

(iii) if Delayed Redemption on Occurrence of Additional Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate, taking into account the Additional Disruption Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Additional Disruption Amount**") as soon as practicable following the occurrence of the Additional Disruption Event (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; or

(iv) in the case of Share Certificates linked to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each a "**Substitute Share**") for each Share (each an "**Affected Share**") which is affected by the Additional Disruption Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Certificates, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Certificates are Physical Delivery Certificates) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Certificates was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

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

where:

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

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

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

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

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

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

1. is not already included in the Basket of Shares;

2. the relevant issuer of such share belongs to the same economic sector as the Basket Company in respect of the Affected Share; and

3. the relevant issuer of such share has a comparable market capitalisation, international standing and exposure as the Basket Company in respect of the Affected Share.

If a Failure to Deliver due to Illiquidity occurs:

(a) subject as provided elsewhere in the Conditions, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Redemption Date in accordance with Condition 7(B)(5); and

(b) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof, except in the case of U.S. Certificates (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 Certificate, 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.

For the purposes hereof:

"**Failure to Deliver Settlement Price**" in respect of any relevant Certificate, shall be the fair market value of such Certificate (taking into account, the Relevant Assets comprising the Entitlement which have been duly delivered as provided above), less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion.

(D) Upon the occurrence of an Additional Disruption Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary, it shall notify the Issuer thereof as soon as practicable and the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 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 Certificates shall be redenominated in euro.

The election will have effect as follows:

(a) where the Settlement Currency of the Certificates 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 Certificates will be made solely in euro as though references in the Certificates to the Settlement Currency were to euro;

(b) 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

(c) 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 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 such other terms of these Terms and Conditions.

Notwithstanding the foregoing, none of the Issuer, the Guarantor, if any, the Calculation Agent and the Certificate 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 Certificates do not confer on a third party any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of such Certificates 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 CERTIFICATES

*The terms and conditions applicable to Index Certificates shall comprise the Terms and Conditions of the Certificates (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Index Certificate 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 Certificate Conditions, the Index Certificate Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Index Certificate Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1. Definitions

"**Basket of Indices**" means a basket composed of each Index specified in the applicable Final Terms in the weightings specified in the applicable Final Terms;

"**Clearance System**" means the principal domestic clearance system customarily used for settling trades in the relevant securities;

"**Clearance System Days**" means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

"**Component Security**" means, in respect of a Composite Index, each component security of such Index;

"**Composite Index**" means any Index specified as such in the applicable Final Terms, or if not so specified, any Index which the Calculation Agent determines to be such an Index;

"**Disrupted Day**" means:

(i) in respect of any Composite Index, any Scheduled Trading Day on which (a) the Index Sponsor fails to publish the level of such Index, (b) the Related Exchange fails to open for trading during its regular trading session, or (c) a Market Disruption Event has occurred; and

(ii) in respect of an Index that is not a Composite Index, any Scheduled Trading Day on which (a) the relevant Exchange and/or any Related Exchange fails to open for trading during its regular trading session or (b) a Market Disruption Event has occurred;

"**Early Closure**" means:

(i) in respect of a Composite Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (a) 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 (b) 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

(ii) in the case of an Index which is not a Composite Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at

least one hour prior to the earlier of (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:

(i) in the case of a Composite Index, in respect of each Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent; and

(ii) in the case of any Index which is not a Composite Index, in respect of such Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange);

"**Exchange Business Day**" means either (i) in the case of a single Index, Exchange Business Day (Single Index Basis) or (ii) in the case of a Basket of Indices, (a) Exchange Business Day (All Indices Basis) or (b) 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 (i) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange, if any, are open for trading during their respective regular trading session(s) in respect of such Indices, notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time and (ii) in respect of any Composite Indices, (a) the Index Sponsor publishes the level of such Composite Indices and (b) 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 (i) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are open for trading during their regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (ii) in respect of a Composite Index, (a) the relevant Index Sponsor publishes the level of such Composite Index and (b) 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 (i) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to its Scheduled Closing Time and (ii) in respect of a Composite Index (a) the relevant Index Sponsor publishes the level of such Composite Index and (b) 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:

(i) 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 (a) any Component Security on the Exchange in respect of such Component Security or (b) in futures or options contracts relating to such Index on the Related Exchange; and

(ii) 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 (a) to effect transactions in, or obtain market values for, on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index, or (b) 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 index or indices specified in the applicable Final Terms and related expressions shall be construed accordingly;

"**Index Correction Period**" means (i) the period specified in the applicable Final Terms, or (ii) if none is so specified, one Settlement Cycle;

"**Index Sponsor**" means, in relation to an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, which as of the Issue Date is the index sponsor specified for such Index in the applicable Final Terms;

"**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 (i) in the case of a single Index, Scheduled Trading Day (Single Index Basis) or (ii) in the case of a Basket of Indices, (a) Scheduled Trading Day (All Indices Basis) or (b) Scheduled Trading Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Scheduled Trading Day (All Indices Basis) shall apply;

"**Scheduled Trading Day (All Indices Basis)**" means any day on which (i) 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 (ii) in respect of any Composite Indices, (a) the Index Sponsor is scheduled to publish the level of such Composite Indices and (b) 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 (i) 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 (ii) in respect of a Composite Index, (a) the relevant Index Sponsor is scheduled to publish the level of such Composite Index and (b) 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 (i) 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 (ii) in respect of a Composite Index (a) the relevant Index Sponsor is scheduled to publish the level of such Composite Index and (b) the relevant Related Exchange, if any, is scheduled to be open for trading during its regular trading session in respect of such Composite Index;

"**Settlement Cycle**" means, in respect of an Index, the period of Clearance System Days following a trade in the security comprising such Index on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

"**Settlement Price**" means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Certificate, subject to the provisions of this Annex 1 and as referred to in "Strike Date", "Averaging Date", "Observation Date" or "Valuation Date" in General Condition 4, as the case may be:

(i) in the case of Index Certificates relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the official closing level for such Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of such Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and

(ii) in the case of Index Certificates relating to a single Index, an amount (which shall be deemed to be a monetary value in the Index Currency) 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 Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date;

"**Settlement Price Date**" means the Strike Date, an Observation Date or the Valuation Date, as the case may be; and

"**Trading Disruption**" means:

(i) 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: (a) relating to any Component Security on the Exchange in respect of such Component Security; or (b) in futures or options contracts relating to such Index on the Related Exchange; and

(ii) 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: (a) relating to securities that comprise 20 per cent. or more of the level of the relevant Index; or (b) in futures or options contracts relating to the relevant Index on any relevant Related Exchange.

2. Market Disruption

"**Market Disruption Event**" means:

(A) in respect of a Composite Index either:

(i) (a) the occurrence or existence, in respect of any Component Security, of:

(1) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded;

(2) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; or

(3) an Early Closure in respect of such Component Security; and

(b) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Index; or

(ii) the occurrence or existence, in respect of futures or options contracts relating to such Index, of: (a) a Trading Disruption; (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the Valuation Time in respect of the Related Exchange; or (c) an Early Closure, in each case in respect of such futures or options contracts.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component Security at any time, if a Market Disruption Event occurs in respect of such Component Security at that time, then the relevant percentage contribution of that Component Security to the level of such Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that Component Security to (y) the overall level of such Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "opening data"; and

(B) in the case of Indices other than Composite Indices, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of such Index exists at any time, if a Market Disruption Event occurs in respect of a security included in such Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (a) the portion of the level of such Index attributable to that security and (b) the overall level of such Index, in each case immediately before the occurrence of such Market Disruption Event.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with 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 the Strike Date, an Averaging Date, an Observation Date or a Valuation Date, as the case may be, or on any Knock-in Determination Date or Knock-out Determination Date, as the case may be.

3. Adjustments to an Index

(A) Successor Index Sponsor Calculates and Reports an Index

If a relevant Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent, or (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 (the "**Successor Index**") will be deemed to be the Index.

(B) Modification and Cessation of Calculation of an Index

If (i) on or prior to the last Averaging Date, the last Observation Date or the last Valuation Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation, 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 (ii) on an Averaging Date, an Observation Date or a Valuation Date, the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**" and, together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**"), then, except as may be limited in the case of U.S. Certificates:

(i) the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Certificates 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 that comprised that Index immediately prior to that Index Adjustment Event; or

(ii) unless Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 11. If the Certificates are so redeemed, the Issuer will pay an amount to each Holder in respect of each redeemed Certificate being redeemed at an amount equal to the fair market value of a 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, 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

(iii) 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 Index Adjustment Amount**") as soon as practicable following the occurrence of the Index Adjustment Event (the "**Calculated Index Adjustment Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Index Adjustment Amount plus interest accrued from and including the Calculated Index Adjustment Amount

Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if greater, the Notional Amount.

(C) Notice

The Calculation Agent shall, as soon as practicable, notify the relevant Certificate Agent of any determination made by it pursuant to paragraph (B) above and the action proposed to be taken in relation thereto and such Certificate Agent shall make available for inspection by Holders copies of any such determinations.

4. Correction of Index

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment under the Certificates, if the Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Certificates is subsequently corrected and the correction is published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor, (i) in respect of a Composite Index, no later than five Exchange Business Days following the date of the original publication, or (ii) in respect of an Index which is not a Composite Index, within the number of days equal to the Index Correction Period of the original publication, the level to be used shall be the level of the Index as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Certificates will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

5. Knock-in Event and Knock-out Event

(A) If "Knock-in Event" is specified as applicable in the applicable Final Terms, then, unless otherwise specified in such Final Terms, payment under the relevant Certificates 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.

(B) If "Knock-out Event" is specified as applicable in the applicable Final Terms, then, unless otherwise specified in such Final Terms, payment under the relevant Certificates 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.

(C) If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if on any Knock-in Determination Day or Knock-out Determination Day at any time during the one hour period that begins or ends at the Valuation Time the level of the Index triggers the Knock-in Level or the Knock-out Level, a Trading Disruption, Exchange Disruption or Early Closure occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred; provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the level of the Index as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date".

(D) If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one-hour period that begins or ends at the time on which the level of the Index triggers the Knock-in Level or the Knock-out Level, a Trading Disruption, Exchange Disruption or Early Closure occurs or

exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred, provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the level of the Index as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date".

(E) 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;

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

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

(i) (in respect 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

(ii) (in respect 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", "greater than or equal to", "less than" or "less than or equal to" the Knock-in Level or (B) "within" the Knock-in Range Level, in each case as specified in the applicable Final Terms;

"**Knock-in Level**" means (i) in the case of a single Index, the level of the Index or (ii) 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 Certificate Condition 2 (Market Disruption) and Index Certificate Condition 3 (Adjustments to an Index);

"**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 Range Level**" means the range of levels specified as such or otherwise determined on the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Index Certificate Condition 2 (Market Disruption) and Index Certificate Condition 3 (Adjustments to an Index);

"**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;

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

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

(i) (in respect 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

(ii) (in respect 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, (i) the level of the Index or (ii) 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 Certificate Condition 2 (Market Disruption) and Index Certificate 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 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.

6. Automatic Early Redemption

(a) If "Automatic Early Redemption Event" is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Certificates will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Early Redemption Amount payable by the Issuer on such date upon redemption of each Certificate shall be an amount equal to the relevant Automatic Early Redemption Amount.

(b) Definitions relating to Automatic Early Redemption

Unless otherwise specified in the applicable Final Terms:

"**Automatic Early Redemption Amount**" means (i) an amount in the Settlement Currency specified in the applicable Final Terms or if such amount is not specified, (ii) the product of (A) the Notional Amount in respect of each Certificate and (B) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date;

"**Automatic Early Redemption Date**" means each date specified as such in the applicable Final Terms, or if such date is not a Business Day, the next following Business Day, and no Holder shall be entitled to any interest or further payment in respect of such delay;

"**Automatic Early Redemption Event**" means that (i) in the case of a single Index, the Index Level or (ii) in the case of a Basket of Indices, the Basket Price is, (A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Automatic Early Redemption Level as specified in the Final Terms;

"**Automatic Early Redemption Level**" means the level of the Index 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 Certificate Condition 3 (Adjustments to an Index) above;

"**Automatic Early Redemption Rate**" means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms;

"**Automatic Early Redemption Valuation Date**" means each date as specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then the corresponding in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Automatic Early Redemption Valuation Date";

"**Basket Price**" means, in respect of any Automatic Early Redemption Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each Index as the product of (i) the Index Level of such Index on such Automatic Early Redemption Valuation Date and (ii) the relevant Weighting; and

"**Index Level**" means, in respect of any Automatic Early Redemption Valuation Date, the level of the Index as determined by the Calculation Agent as of the Valuation Time on such Automatic Early Redemption Valuation Date.

ANNEX 2

ADDITIONAL TERMS AND CONDITIONS FOR SHARE CERTIFICATES

*The terms and conditions applicable to Share Certificates shall comprise the Terms and Conditions of the Certificates (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Share Certificate 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 Certificate Conditions, the Share Certificate Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Share Certificate Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1. Definitions

"**Basket Company**" means each company specified as such in the applicable Final Terms and "**Basket Companies**" means all such companies;

"**Basket of Shares**" means (i) a basket composed of Shares of each Basket Company specified in the applicable Final Terms in the weightings or numbers of Shares of each Basket Company specified in the applicable Final Terms or (ii) a Relative Performance Basket;

"**Clearance System**" means the principal domestic clearance system customarily used for settling trades in the relevant Share;

"**Clearance System Days**" means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

"**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 (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, in respect of a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange);

"**Exchange Business Day**" means either (i) in the case of a single Share, Exchange Business Day (Single Share Basis) or (ii) in the case of a Basket of Shares, (a) Exchange Business Day (All Shares Basis) or (b) Exchange Business Day (Per Share Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per Share Basis) shall apply;

"**Exchange Business Day (All Shares Basis)**" means, in respect of a Basket of Shares, any Scheduled Trading Day on which each Exchange and each Related Exchange, if any, are open for trading in respect of all Shares

comprised in the Basket of Shares during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time;

"**Exchange Business Day (Per Share Basis)**" means, in respect of a Share, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, in respect of such Share are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

"**Exchange Business Day (Single Share Basis)**" means any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

"**Exchange Disruption**" means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Share on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the Share on any relevant Related Exchange;

"**Extraordinary Event Effective Date**" means, in respect of an Extraordinary Event, the date on which such Extraordinary Event occurs, as determined by the Calculation Agent in its sole and absolute discretion;

"**Related Exchange**" means, in relation to a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, "**Related Exchange**" shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share;

"**Relative Performance Basket**" means a basket composed of Shares of each Basket Company specified in the applicable Final Terms where no weighting shall be applicable and where the Cash Settlement Amount shall be determined by reference to the Share which is either (i) the best performing, (ii) the worst performing, or (iii) any other performance measure that is applied to the Shares, in each case as specified in the applicable Final Terms;

"**Scheduled Trading Day**" means either (i) in the case of a single Share, Scheduled Trading Day (Single Share Basis) or (ii) in the case of a Basket of Shares, (a) Scheduled Trading Day (All Shares Basis) or (b) Scheduled Trading Day (Per Share Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Scheduled Trading Day (Per Share Basis) shall apply;

"**Scheduled Trading Day (All Shares Basis)**" means, in respect of a Basket of Shares, any day on which each Exchange and each Related Exchange are scheduled to be open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading session(s);

"**Scheduled Trading Day (Per Share Basis)**" means, in respect of a Share, any day on which the relevant Exchange and the relevant Related Exchange in respect of such Share are scheduled to be open for trading during their respective regular trading session(s);

"**Scheduled Trading Day (Single Share Basis)**" means any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s);

"**Settlement Cycle**" means in respect of a Share, the period of Clearance System Days following a trade in the Share on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

"**Settlement Price**" means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Certificate, subject to the provisions of this Annex 2 and as referred to in "Strike Date", "Averaging Date", "Observation Date" or "Valuation Date" in General Condition 4, as the case may be:

(i) in the case of Share Certificates relating to a Basket of Shares and in respect of each Share comprising the Basket, an amount equal to the official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Share on (a) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for such Share whose official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be determined based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of such Share or on such other factors as the Calculation Agent shall decide), multiplied by the relevant Weighting, such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent; and

(ii) in the case of Share Certificates relating to a single Share, an amount equal to the official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Share on (a) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if, in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the Share based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as

selected by the Calculation Agent) engaged in the trading of the Share or on such other factors as the Calculation Agent shall decide), such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent;

"**Settlement Price Date**" means the Strike Date, an Observation Date or the Valuation Date, as the case may be;

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

"**Share Correction Period**" means (i) the period specified in the applicable Final Terms, or (ii) if none is so specified, one Settlement Cycle; and

"**Trading Disruption**" means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or any Related Exchange or otherwise (i) relating to the Share on the Exchange; or (ii) in futures or options contracts relating to the Share on any relevant Related Exchange.

2. Market Disruption

"**Market Disruption Event**" means, in relation to Certificates relating to a single Share or a Basket of Shares, in respect of a Share, 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.

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 the Strike Date, an Averaging Date, an Observation Date or a Valuation Date, as the case may be or on a Knock-in Determination Day or a Knock-out Determination Day, as the case may be.

3. Potential Adjustment Events

"**Potential Adjustment Event**" means any of the following:

(a) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;

(b) a distribution, issue or dividend to existing holders of the relevant Shares of (i) such Shares or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Basket Company or Share Company, as the case may be, equally or proportionately with such payments to holders of such Shares or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Basket Company or Share Company, as the case may be, as a result of a spin-off or other similar transaction or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;

(c) an extraordinary dividend as determined by the Calculation Agent;

(d) a call by a Basket Company or Share Company, as the case may be, in respect of relevant Shares that are not fully paid;

(e) a repurchase by the Basket Company or its subsidiaries or Share Company or its subsidiaries, as the case may be, of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(f) in respect of a Basket Company or Share Company, as the case may be, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Basket Company or Share Company, as the case may be, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(g) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

"**Potential Adjustment Event Effective Date**" means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant Basket Company or Share Company, as the case may be, as determined by the Calculation Agent in its sole and absolute discretion.

Except as may be limited in the case of U.S. Certificates, 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 (where the Certificates are Physical Delivery Certificates) 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 (where the Certificates are Physical Delivery Certificates) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

4. Extraordinary Events

(A) The occurrence of any of De-Listing, Insolvency, Merger Event, Nationalisation, Tender Offer (unless Tender Offer is specified as not applicable in the applicable Final Terms), or, if specified as applicable in the applicable Final Terms, Illiquidity, Listing Change or Listing Suspension, as the case may be, shall be deemed to be an Extraordinary Event, the consequences of which are set forth in Share Certificate Condition 4(B):

"**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 (i) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or (ii) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

"**Illiquidity**" means, in respect of Share Certificates relating to a Basket of Shares, that, in the determination of the Calculation Agent, during any period of five consecutive Scheduled Trading Days falling after the Issue Date (the "**Relevant Period**"), (a) the difference between the bid prices and the ask prices in respect of a Share during the Relevant Period is greater than 1% (on average), and/or (b) the average purchase price or the average selling price, determined by the Calculation Agent from the order book of the relevant Share on the relevant Exchange during the Relevant Period, in relation to the purchase or sale of Shares with a value equal to or greater than EUR 10,000.00, is greater than MID plus 1% (in relation to a purchase of Shares) or lower than the MID minus 1% (in relation to a sale of Shares). For these purposes, "**MID**" means an amount equal to (a) the sum of the bid price and the ask price, in each case for the relevant Share at the relevant time, (b) divided by two.

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Basket Company or Share Company, as the case may be, (i) 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 (ii) holders of the Shares of that Basket Company or Share Company, as the case may be, become legally prohibited from transferring them.

"**Listing Change**" means, in respect of any relevant Shares and, that such Shares cease (or will cease) to be listed, traded or publicly quoted on the listing compartment or the relevant market of the Exchange on which such Shares were listed, traded or publicly quoted on the Issue Date of the relevant Certificates, for any reason (other than a Merger Event or Tender Event).

"**Listing Suspension**" means, in respect of any relevant Shares, that the listing of such Shares on the Exchange has been suspended.

"**Merger Event**" means, in respect of any relevant Shares, any (i) 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, (ii) 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), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Basket Company or Share Company, as the case may be, that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Basket Company or its subsidiaries or the Share Company or its subsidiaries, as the case may be, with or into another entity in which the Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the relevant Extraordinary Event Effective Date is on or before

(a) in the case of Cash Settled Certificates, the last occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Certificate or (b) in the case of Physical Delivery Certificates, the relevant Redemption 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 transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares of the Basket Company or Share Company, as the case may be, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

(B) Consequences of the occurrence of an Extraordinary Event:

If an Extraordinary Event occurs in relation to a Share, the Issuer in its sole and absolute discretion may take the action described in (a), (b), (c), (d) (if applicable), (e) or, in the case of Certificates relating to a Basket of Shares only (f) below (except as may be limited in the case of U.S. Certificates):

(a) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Certificates are Physical Delivery Certificates) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Certificates. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event made by any options exchange to options on the Shares traded on that options exchange. In addition, in relation to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares in accordance with the provisions of sub-paragraph (f) below;

(b) in the case of Share Certificates relating to a Basket of Shares, redeem the Certificates in part by giving notice to Holders in accordance with General Condition 11. If the Certificates are so redeemed in part the portion (the "**Redeemed Amount**") of each Certificate representing the affected Share(s) shall be redeemed and the Issuer will:

(i) pay to each Holder in respect of each Certificate held by him an amount equal to the fair market value of the Redeemed Amount, taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion; and

(ii) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Certificates are Physical Delivery Certificates) 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 Certificate, after such redemption 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 Delayed Redemption on the Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, on giving notice to Holders in accordance with General Condition 11 redeem all but not some only of the Certificates, each Certificate being redeemed by payment of an amount equal to the fair market value of a Certificate, taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 11;

(d) if Delayed Redemption on the Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate, taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Extraordinary Event Amount**") as soon as practicable following the occurrence of the relevant Extraordinary Event (the "**Calculated Extraordinary Event Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Extraordinary Event Amount plus interest accrued from and including the Calculated Extraordinary Event Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if greater, the Notional Amount;

(e) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Certificates are Physical Delivery Certificates) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Certificates are Physical Delivery Certificates) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or

(f) on or after the relevant Extraordinary Event Effective Date, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each, a "**Substitute Share**") for each Share (each, an "**Affected Share**") of each Basket Company (each, an "**Affected Basket Company**") which is affected by such Extraordinary Event and the Substitute Share will be deemed to be a

"**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Certificates, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Certificates are Physical Delivery Certificates) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Certificates was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

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

where:

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

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

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

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

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

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

(x) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and the relevant share is not already included in the Basket of Shares, the relevant share shall be an ordinary share of the entity or person (other than the Affected Basket Company) involved in the Merger Event or the making of the Tender Offer, that is, or that as of the relevant Extraordinary Event Effective Date is promptly scheduled to be, (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations; or

(y) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and a share would otherwise satisfy the criteria set out in paragraph (x) above, but such share is already included in the Basket of Shares, or in the case of an Extraordinary Event other than a Merger Event or a Tender Offer:

(i) the relevant issuer of the share shall belong to the same economic sector as the Affected Basket Company; and

(ii) the relevant issuer of the share shall have a comparable market capitalisation, international standing and exposure as the Affected Basket Company.

Upon the occurrence of an Extraordinary Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable, and the Issuer shall give notice as soon as practicable to the Holders in accordance with General Condition 11 stating the occurrence of the Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto including, in the case of a Share Substitution, the identity of the Substitute Shares and the Substitution Date.

5. Correction of Share Price

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment under the Certificates, 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 Certificates is subsequently corrected and the correction is published by the relevant Exchange within the number of days equal to the Share Correction Period of the original publication, the price to be used shall be the price of the relevant Share as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Certificates will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

6. Knock-in Event and Knock-out Event

(A) If "Knock-in Event" is specified as applicable in the applicable Final Terms, then, unless otherwise specified in such Final Terms, any payment and/or delivery, as applicable, under the relevant Certificates 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.

(B) If "Knock-out Event" is specified as applicable in the applicable Final Terms, then, unless otherwise specified in such Final Terms, any payment and/or delivery, as applicable, under the relevant Certificates 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.

(C) If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if on any Knock-in Determination Day or Knock-out Determination Day at any time during the one hour period that begins or ends at the Valuation Time the price of the Share triggers the Knock-in Price or the Knock-out Price, a Trading Disruption, Exchange Disruption or Early Closure occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred, provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the price of the Share as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date".

(D) If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one hour period that begins or ends at the time on which the price of the Share triggers the Knock-in Price or the Knock-out Price, a Trading Disruption, Exchange Disruption or Early Closure occurs or exists, then, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred, provided that

if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the price of the Share as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date".

(E) 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;

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

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

(i) (in respect 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

(ii) (in respect 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 Basket 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", "greater than or equal to", "less than" or "less than or equal to" the Knock-in Price, or (B) "within" the Knock-in Range Price, in each case as specified in the applicable Final Terms;

"**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 Price**" means, (i) in case of a single Share, the price per Share or (ii) in the case of a Basket of Shares, 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 Certificate Condition 2 (Market Disruption), Share Certificate Condition 3 (Potential Adjustment Events) and Share Certificate Condition 4 (*Extraordinary Events*);

"**Knock-in Range Price**" means the range of prices 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 Certificate Condition 2 (Market Disruption), Share Certificate Condition 3 (Potential Adjustment Events) and Share Certificate Condition 4 (*Extraordinary Events*);

"**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;

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

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

(i) (in respect 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

(ii) (in respect 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 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;

"**Knock-out Price**" means, (i) in the case of a single Share, the price per Share or (ii) in the case of a Basket of Shares, 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 Certificate Condition 2 (Market Disruption), Share Certificate Condition 3 (Potential Adjustment Events) and Share Certificate Condition 4 (*Extraordinary Events*); 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.

7. Automatic Early Redemption

(a) If "Automatic Early Redemption Event" is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Certificates will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Early Redemption Amount payable by the Issuer on such date upon redemption of each Certificate shall be an amount equal to the relevant Automatic Early Redemption Amount.

(b) Definitions relating to Automatic Early Redemption

Unless otherwise specified in the applicable Final Terms:

"**Automatic Early Redemption Amount**" means (i) an amount in the Settlement Currency specified in the applicable Final Terms or if such amount is not specified, (ii) the product of (A) the Notional Amount in

respect of each Certificate and (B) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date;

"**Automatic Early Redemption Date**" means each date specified as such in the applicable Final Terms, or if such date is not a Business Day, the next following Business Day, and no Holder shall be entitled to any interest or further payment in respect of any such delay;

"**Automatic Early Redemption Event**" means that (i) in the case of a single Share, the Share Price or (ii) in the case of a Basket of Shares, the Basket Price is, (A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Automatic Early Redemption Price as specified in the Final Terms;

"**Automatic Early Redemption Price**" means the price per Share 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 Certificate Condition 3 (Potential Adjustment Events) and Share Certificate Condition 4 (*Extraordinary Events*) above;

"**Automatic Early Redemption Rate**" means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms;

"**Automatic Early Redemption Valuation Date**" means each date as specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Automatic Early Redemption Valuation Date";

"**Basket Price**" means, in respect of any Automatic Early Redemption Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each Share as the product of (i) the Share Price of such Share on such Automatic Early Redemption Valuation Date and (ii) the relevant Weighting; and

"**Share Price**" means, in respect of any Automatic Early Redemption Valuation Date, the price per Share as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on such Automatic Early Redemption Valuation Date.

8. Dividend Payment

If "Dividend Payment" is specified as being applicable in the applicable Final Terms, the following provisions shall apply to the Certificates:

(i) In the event that on or after the Issue Date a Cash Dividend is paid by the Share Company or Basket Company, as the case may be, notwithstanding any provisions in these Terms and Conditions to the contrary, the Calculation Agent shall calculate (A) the relevant Distributed Amount and (B) the relevant Dividend Date.

(ii) As soon as practicable following the Dividend Date, the Issuer shall give notice (a "**Cash Dividend Notice**") to the Holders in accordance with General Condition 11 of the Cash Dividend and the relevant Cash Dividend Payment Date and the Issuer, or failing which the Guarantor, if applicable, shall pay to each Holder on the Cash Dividend Payment Date an amount equal to the Cash Dividend Amount in respect of each Certificate held by him on the Cash Dividend Payment Date, provided that if the relevant Dividend Date has not occurred prior to the Redemption Date of a Certificate, the Issuer shall not be obliged to pay such Cash Dividend Amount and the Issuer and/or the Guarantor, if applicable, shall have no further obligation in respect thereof.

(iii) The Cash Dividend Notice shall specify the manner in which the Cash Dividend Amount shall be paid to each Holder.

(iv) For the purposes of this Share Certificate Condition 8 the following definitions shall apply:

"**Cash Dividend**" means any cash dividend paid by the Share Company or Basket Company in respect of a Share.

"**Cash Dividend Amount**" means, in respect of a Certificate, an amount calculated by the Calculation Agent equal to the Distributed Amount less a *pro rata* share of Dividend Expenses, such amount to be converted into the Settlement Currency at an exchange rate determined by the Calculation Agent in its sole and absolute discretion on or as soon as practicable after the Dividend Date.

"**Cash Dividend Payment Date**" means, in respect of a Cash Dividend, the date specified as such in the relevant Cash Dividend Notice.

"**Distributed Amount**" means, in respect of a Cash Dividend, the amount of such dividend paid by the Share Company in respect of a Share, as determined by the Calculation Agent in its sole and absolute discretion.

"**Dividend Date**" means, in respect of a Cash Dividend, the date on which such Cash Dividend would be received by a holder of the Share as determined by the Calculation Agent in its sole and absolute discretion.

"**Dividend Expenses**" means all present, future or contingent withholding, capital gain, profit, transactional or business tax or other similar tax or duty (including stamp duty) and/or expenses (including any applicable depositary charges, transaction charges, issue, registration, transfer and/or other expenses) which the Calculation Agent determines have been or may be deducted and/or may arise or may have arisen in respect of the Cash Dividend and/or any payment of the Cash Dividend Amount in respect of the Certificates.

ANNEX 5

ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY CERTIFICATES

*The terms and conditions applicable to Commodity Certificates shall comprise the Terms and Conditions of the Certificates (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Commodity Certificate 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 Commodity Certificate Conditions, the Commodity Certificate Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Commodity Certificate Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1. Definitions

"**Basket of Commodities**" means a basket comprising two or more Commodities or Commodity Indices;

"**Commodity**" means, subject to adjustment in accordance with this Annex, the commodity (or commodities) or futures contract on a commodity (or commodities) specified in the applicable Final Terms, and related expressions shall be construed accordingly and for the avoidance of doubt, each of climatic variables, freight rates and emissions allowances may be a Commodity for the purposes of this Annex and the applicable Final Terms;

"**Commodity Business Day**" means:

(i) where the Commodity Reference Price is announced or published by an Exchange, any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which that Exchange is open for trading during its regular trading sessions and notwithstanding any such Exchange closing prior to its scheduled closing time; or

(ii) in any other case, a day in respect of which the relevant Price Source published (or, but for the occurrence of a Market Disruption Event, would have published), a price;

"**Commodity Fallback Value**" means the arithmetic mean of the quotations provided to the Calculation Agent by each of the Reference Dealers as its Commodity Reference Price for the relevant Pricing Date of the relevant Commodity, provided that if only three such quotations are so provided, the Commodity Fallback Value shall be the Commodity Reference Price remaining after disregarding the Commodity Reference Prices having the highest and lowest values (or if more than one such highest or lowest, one only of them). If fewer than three such quotations are so provided, it will be deemed that such value cannot be determined and the relevant value shall be the good faith estimate of the Calculation Agent;

"**Commodity Index**" means each index specified as such in the applicable Final Terms or an index comprising one or more commodities or contracts for the future delivery of a commodity (each a "**Component**");

"**Commodity Reference Price**" means, (i) in respect of any Commodity, the Commodity Reference Price specified in the applicable Final Terms and (ii) in respect of any Commodity Index, the Commodity Reference Price specified in the applicable Final Terms or, if not so specified, the official closing price of such Commodity Index;

"**Delivery Date**" means, in respect of a Commodity Reference Price, the relevant date or month for delivery of the underlying Commodity (which must be a date or month reported or capable of being determined from information reported in or by the relevant Price Source) as follows:

(i) if a date is, or a month and year are, specified in the applicable Final Terms, that date or that month and year;

(ii) if a Nearby Month is specified in the applicable Final Terms, the month of expiration of the relevant Futures Contract; and

(iii) if a method is specified in the applicable Final Terms for the purpose of determining the Delivery Date, the date or the month and year determined pursuant to that method;

"**Disappearance of Commodity Reference Price**" means (i) the permanent discontinuation of trading, in the relevant Futures Contract on the relevant Exchange or (ii) the disappearance of, or of trading in, the relevant Commodity or Component or (iii) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract, Commodity or Component;

"**Exchange**" means, in respect of a Commodity, the exchange or principal trading market for such Commodity specified in the applicable Final Terms or in the Commodity Reference Price and in the case of a Commodity Index, the exchange or principal trading market for each Component comprising such Commodity Index;

"**Futures Contract**" means, in respect of a Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Commodity or Commodity Index referred to in that Commodity Reference Price;

"**Index Component Disruption Event**" means:

(i) the Commodity Reference Price published by the Price Source on any Pricing Date includes, or is derived from, a price for one or more Components published on any date between the Issue Date and such Pricing Date that is not a price published by the usual exchange or price source, but is a price determined by the Price Source; or

(ii) the Commodity Reference Price published by the Price Source on any Pricing Date includes, or is derived from, a price for one or more Components published by the usual exchange or price source on any date between the Issue Date and such Pricing Date that, in the opinion of the Calculation Agent, has been calculated or published subject to the occurrence of market disruption or similar, or otherwise not in accordance with the usual, then-current, method used by such exchange or price source;

"**Material Change in Content**" means the occurrence since the Trade Date of a material change in the content, composition or constitution of the relevant Commodity or Futures Contract or, in the case of a Commodity Index, Component;

"**Material Change in Formula**" means the occurrence since the Trade Date of a material change in the formula for or the method of calculating the relevant Commodity Reference Price;

"**Nearby Month**", when preceded by a numerical adjective, means, in respect of a Delivery Date and a Pricing Date, the month of expiration of the Futures Contract identified by that numerical adjective, so that, for example, (A) "**First Nearby Month**" means the month of expiration of the first Futures Contract to expire following that Pricing Date; (B) "**Second Nearby Month**" means the month of expiration of the second Futures Contract to expire following that Pricing Date; and (C) "**Sixth Nearby Month**" means the month of expiration of the sixth Futures Contract to expire following that Pricing Date;

"**Price Source**" means the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) specified in the relevant Commodity Reference Price;

"**Price Source Disruption**" means (i) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price, or (ii) the temporary or permanent discontinuance or unavailability of the Price Source;

"**Pricing Date**" means each date specified in the Final Terms or if that is not a Commodity Business Day the immediately succeeding Commodity Business Day;

"**Reference Dealers**" means four leading dealers in the relevant Commodities market selected by the Calculation Agent;

"**Relevant Price**" means, for any Pricing Date, the price, expressed as a price per unit of the Commodity or the price of the Commodity Index, determined with respect to that day for the specified Commodity Reference Price calculated as provided in these Commodity Certificate Conditions and the applicable Final Terms;

"**Specified Maximum Days of Disruption**" means two (2) Commodity Business Days or such other number of Specified Maximum Days of Disruption specified in the applicable Final Terms;

"**Specified Price**" means, in respect of a Commodity Reference Price any of the following prices (which must be a price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source), as specified in the applicable Final Terms (and, if applicable, as of the time so specified): (A) the high price; (B) the low price; (C) the average of the high price and the low price; (D) the closing price; (E) the opening price; (F) the bid price; (G) the asked price; (H) the average of the bid price and the asked price; (I) the settlement price; (J) the official settlement price; (K) the official price; (L) the morning fixing; (M) the afternoon fixing; (N) the spot price; or (O) any other price specified in the applicable Final Terms on the Pricing Date;

"**Tax Disruption**" means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the relevant Commodity, or in the case of a Commodity Index, Component (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the Relevant Price on the day that would otherwise be a Pricing Date from what it would have been without that imposition, change or removal; and

"**Trading Disruption**" means the material suspension of, or the material limitation imposed on, trading in the relevant Futures Contract or the Commodity or, in the case of a Commodity Index, Component on the Exchange or in any additional futures contract, options contract or commodity on any Exchange as specified in the applicable Final Terms. For these purposes:

(i) a suspension of the trading in the Futures Contract, Commodity or Component, as the case may be, on any Commodity Business Day shall be deemed to be material only if:

  (a) all trading in the Futures Contract, Commodity or Component, as the case may be, is suspended for the entire Pricing Date; or

  (b) all trading in the Futures Contract, Commodity or Component, as the case may be, is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract, Commodity or Component, as the case may be, on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and

(ii) a limitation of trading in the relevant Futures Contract, Commodity or Component, as the case may be, on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the relevant Futures Contract, Commodity or

Component, as the case may be, may fluctuate and the closing or settlement price of the relevant Futures Contract, Commodity or Component, as the case may be, on such day is at the upper or lower limit of that range.

2. Market Disruption

"**Market Disruption Event**" means, in respect of a relevant Commodity or Commodity Index and as determined by the Calculation Agent, the occurrence or existence of:

(i) in the case of all Commodities and each Commodity Index, a Price Source Disruption, Trading Disruption, Disappearance of Commodity Reference Price; and in addition

(ii) in the case of each Commodity Index and all Commodities other than Gold, Silver, Platinum or Palladium, Material Change in Formula, Material Change in Content and/or Tax Disruption; and in addition

(iii) in the case of a Commodity Index, an Index Component Disruption Event.

The Calculation Agent shall give notice as soon as practicable to Holders, in accordance with General Condition 11, of the occurrence of a Market Disruption Event and the action proposed to be taken in relation thereto.

3. Consequences of a Market Disruption Event and Disruption Fallbacks

Upon a Market Disruption Event occurring or continuing on any Pricing Date (or, if different, the day on which prices/or that Pricing Date would, in the ordinary course, be published by the Price Source), the Calculation Agent shall apply the applicable Disruption Fallback in respect of the relevant Market Disruption Event in determining the consequence of the Market Disruption Event. "**Disruption Fallback**" means a source or method that may give rise to an alternative basis for determining the Relevant Price in respect of a specified Commodity Reference Price when a Market Disruption Event occurs or exists on a day that is a Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source). A Disruption Fallback is applicable if it is specified in the applicable Final Terms or, if no Disruption Fallback is specified, the Calculation Agent shall take the relevant actions specified below.

(a) Disappearance of Commodity Reference Price, a Material Change in Formula, or a Material Change in Content

If, with respect to the relevant Pricing Date, the Calculation Agent considers that there is in existence (i) a Disappearance of Commodity Reference Price, or (ii) a Material Change in Formula, or (iii) a Material Change in Content, then:

(i) the Calculation Agent shall determine if such event has a material effect on the Certificates and, if so, shall calculate the relevant Interest Amount and/or Cash Settlement Amount and/or make another relevant calculation using, in lieu of a published price for that Commodity or Component, as the case may be, the price for that Commodity or Component, as the case may be, as at the time specified on that Pricing Date as determined by the Calculation Agent taking into consideration the latest available quotation for such Commodity or Component, as the case may be, and any other information that in good faith it deems relevant; or

(ii) unless Delayed Redemption on Occurrence of Market Disruption Event is specified as being applicable in the applicable Final Terms, on giving notice to Holders in accordance with

General Condition 11, the Issuer shall 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. Payment shall be made in such manner as shall be notified to the Holders in accordance with General Condition 11; or

(iii) if Delayed Redemption on Occurrence of Market Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate, taking into account the 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 Market 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.

(b) Consequences of a Tax Disruption

If the Calculation Agent determines in good faith that a Tax Disruption has occurred or exists in respect of a Pricing Date, the Calculation Agent shall determine if such Tax Disruption has a material effect on the Certificates and if so (i) shall effect any adjustments that it deems in good faith necessary to the terms and conditions of the Certificates or, (ii) if it determines that such adjustments cannot be made on giving notice to Holders in accordance with General Condition 11, the Issuer shall redeem all but not some only of the Certificates, each Certificate being redeemed by payment of an amount equal to the fair market value of a Certificate, 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. Payment shall be made in such manner as shall be notified to the Holders in accordance with General Condition 11.

(c) Consequences of a Price Source Disruption and Trading Disruption

If, with respect to the relevant Pricing Date, a Price Source Disruption or Trading Disruption has been in existence in excess of the Specified Maximum Days of Disruption, then the Calculation Agent shall apply the Commodity Fallback Value in order to determine the Relevant Price for that Pricing Date and each subsequent Pricing Date (if any).

(d) Consequences of an Index Component Disruption

If the Calculation Agent determines that, on a Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source) an Index Component Disruption Event has occurred or exists then the Calculation Agent shall determine the Relevant Price (or a method for determining the Relevant Price) for that Pricing Date and each subsequent Pricing Date (if any).

4. Correction of Commodity Reference Price

With the exception of any corrections published after the day which is three Commodity Business Days prior to the due date for any payment under the Certificates, if the Commodity Reference Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Certificates is

subsequently corrected and the correction published by the relevant Exchange or any other person responsible for the publication or announcement of the Commodity Reference Price within 30 calendar days of the original publication, the price to be used shall be the price of the relevant Commodity as so corrected. Corrections published after the day which is three Commodity Business Days prior to a due date for payment under the Certificates will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

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

(a) 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 Certificates 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.

(b) 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 Certificates 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.

(c) 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.

(d) If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one-hour period that begins or ends at the time on which the Commodity Reference Price 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.

(e) 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;

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

"**Knock-in Event**" means (i) in the case of a single Commodity, that the Commodity Reference Price determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is and (ii) in the case of a Basket of Commodities, that the amount determined by the Calculation Agent equal to the sum of the values calculated for each Commodity as the product of (x) the Relevant Price as of the Knock-in Valuation Time on any Knock-in Determination Day and (y) the relevant Weighting is (A) "greater than", "greater than or equal to", "less than" or "less than or equal to" the Knock-in Price, or (B) "within" the Knock-in Range Level in each case as specified in the applicable Final Terms;

"**Knock-in Price**" means (i) in the case of a single Commodity, the Relevant Price or (ii) in case of a Basket of Commodities, 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 Commodity Certificate Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks);

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

"**Knock-in Range Price**" means the range of prices 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 Commodity Certificate Condition 3 (*Consequences of a Market Disruption Event and Disruption Fallbacks*);

"**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;

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

"**Knock-out Event**" means (i) in the case of a single Commodity, that the Relevant Price determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is and (ii) in the case of a Basket of Commodities, that the amount determined by the Calculation Agent equal to the sum of the values for each Commodity as the product of (x) the Commodity Reference Price 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 Price**" means (i) in the case of a single Commodity, the Relevant Price or (ii) in the case of a Basket of Commodities, 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 Commodity Certificate Condition 3 (*Consequences of a Market Disruption Event and Disruption Fallbacks*);

"**Knock-out Period Beginning Date**" means the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Commodity Business Day Convention is specified as applicable in the applicable Final Terms and such date is not a Commodity Business Day, the next following Commodity Business 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 Commodity Business Day Convention is specified as applicable in the applicable Final Terms and such date is not a Commodity Business Day, the next following Commodity Business 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.

6. Automatic Early Redemption

(a) If "Automatic Early Redemption Event" is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Certificates will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Early Redemption Amount payable by the Issuer on such date upon redemption of each Certificate shall be an amount equal to the relevant Automatic Early Redemption Amount.

(b) Definitions relating to Automatic Early Redemption

Unless otherwise specified in the applicable Final Terms:

"**Automatic Early Redemption Amount**" means (i) an amount in the Settlement Currency specified in the applicable Final Terms or if such amount is not specified, (ii) the product of (A) the Notional Amount in respect of each Certificate and (B) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date;

"**Automatic Early Redemption Date**" means each date specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms;

"**Automatic Early Redemption Event**" means that (i) in the case of a single Commodity, the Relevant Price or (ii) in the case of a basket of Commodities, the Basket Price is, (A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Automatic Early Redemption Price as specified in the Final Terms;

"**Automatic Early Redemption Price**" means the price per Commodity specified as such or otherwise determined in the applicable Final Terms, or if such date is not a Business Day, the immediately succeeding Business Day, provided that no additional amount shall be payable to Holders as a result of such delay;

"**Automatic Early Redemption Rate**" means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms;

"**Automatic Early Redemption Valuation Date**" means each date specified as such in the applicable Final Terms; and

"**Basket Price**" means, in respect of any Automatic Early Redemption Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each Commodity as the product of (i) the Relevant Price of such Commodity on such Automatic Early Redemption Valuation Date and (ii) the relevant Weighting.

ANNEX 7

ADDITIONAL TERMS AND CONDITIONS FOR CURRENCY CERTIFICATES

*The terms and conditions applicable to Currency Certificates shall comprise the Terms and Conditions of the Certificates (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Currency Certificate 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 Currency Certificate Conditions, the Currency Certificate Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Currency Certificate Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1. Definitions

"**Averaging Date**" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Certificate Condition 3 (Consequences of a Disruption Event) shall apply;

"**Dual Exchange Rate**" means that any of the Base Currency, Subject Currency and/or Subject Currencies, splits into dual or multiple currency exchange rates;

"**Disrupted Day**" means any Scheduled Trading Day on which the Calculation Agent determines that a Disruption Event has occurred;

"**Illiquidity Disruption**" means the occurrence of any event in respect of any of the Base Currency, Subject Currency and/or Subject Currencies whereby it becomes impossible for the Calculation Agent to obtain a firm quote for such currency in an amount deemed necessary by the Calculation Agent to hedge its obligations under the Certificates (in one or more transaction(s)) on the relevant Averaging Date or any Settlement Price Date (or, if different, the day on which rates for such Averaging Date or Settlement Price Date would, in the ordinary course, be published or announced by the relevant price source);

"**Price Source**" means the published source, information vendor or provider containing or reporting the rate or rates from which the Settlement Price is calculated as specified in the applicable Final Terms;

"**Price Source Disruption**" means that it becomes impossible to obtain the rate or rates from which the Settlement Price is calculated;

"**Scheduled Trading Day**" means a day on which commercial banks are open (or, but for the occurrence of a Disruption Event would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the principal financial centres of the Base Currency and Subject Currency or Subject Currencies;

"**Settlement Price Date**" means the Strike Date, Observation Date or Valuation Date, as the case may be;

"**Specified Maximum Days of Disruption**" means the number of days specified in the applicable Final Terms, or if not so specified, 5 Scheduled Trading Days;

"**Strike Date**" means the Strike Date specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Certificate Condition 3 (Consequences of a Disruption Event) shall apply;

"**Valuation Date**" means the Interest Valuation Date and/or the Redemption Valuation Date specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Certificate Condition 3 (Consequences of a Disruption Event) shall apply;

"**Valuation Time**" means, unless otherwise specified in the applicable Final Terms, the time at which the Price Source publishes the relevant rate or rates from which the Settlement Price is calculated; and

"**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

2. Disruption Events

Unless otherwise stated in the applicable Final Terms the occurrence of any of the following events, in respect of any Base Currency, Subject Currency and/or Subject Currencies, shall be a Disruption Event:

(i) Price Source Disruption;

(ii) Illiquidity Disruption;

(iii) Dual Exchange Rate;

(iv) any other event that, in the opinion of the Calculation Agent, is analogous to (i), (ii) or (iii); or

(v) any other event specified in the applicable Final Terms.

The Calculation Agent shall give notice as soon as practicable to Holders in accordance with General Condition 11 of the occurrence of a Disrupted Day on any day that but for the occurrence of the Disrupted Day would have been an Averaging Date, Settlement Price Date, Knock-In Determination Day or Knock-Out Determination Day, as the case may be.

3. Consequences of a Disruption Event

Upon a Disruption Event occurring or continuing on an Averaging Date or any Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published by the Price Source) as determined by the Calculation Agent, the Calculation Agent shall apply the applicable Disruption Fallback in determining the consequences of the Disruption Event.

"**Disruption Fallback**" means a source or method that may give rise to an alternative basis for determining the Settlement Price in respect of a Base Currency, Subject Currency and/or Subject Currencies when a Disruption Event occurs or exists on a day that is an Averaging Date or a Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published or announced by the Price Source). The Calculation Agent shall take the relevant actions specified in either (i), (ii) or (iii) below.

(i) if an Averaging Date or any Settlement Price Date is a Disrupted Day, the Calculation Agent will determine that the relevant Averaging Date or Settlement Price Date, as the case may be, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day (in the case of the Strike Date or Settlement Price Date) or Valid Date (in the case of an Averaging Date or Settlement Price Date that is not the Strike Date) unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the originally scheduled Averaging Date or Settlement Price Date, as the case may be, is a Disrupted Day in which case the Calculation Agent may determine that the last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date or Settlement Price Date, as the case may be (irrespective, in the case of an Averaging Date or Settlement Price Date, of whether that last consecutive Scheduled Trading Day is

already an Averaging Date or Settlement Price Date, as the case may be) and may determine the Settlement Price by using commercially reasonable efforts to determine a level for the Base Currency, Subject Currency and/or Subject Currencies as of the Valuation Time on the last such consecutive Scheduled Trading Day taking into consideration all available information that in good faith it deems relevant; or

(ii) if an Averaging Date or any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and where Delayed Redemption on the Occurrence of a Disruption Event is specified as not applicable in the applicable Final Terms, on giving notice To Whom It May Concern: Holders in accordance with General Condition 11, the Issuer shall 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. Payment shall be made in such manner as shall be notified to the Holders in accordance with General Condition 11; or

(iii) if an Averaging Date or any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and if Delayed Redemption on the Occurrence of a Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Currency Disruption Amount**") as soon as practicable following the occurrence of the Disruption Event (the "**Calculated Currency 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 Currency Disruption Amount plus interest accrued from and including the Calculated Currency 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, its nominal amount.

4. Settlement Price

"**Settlement Price**" means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Certificate, and subject as referred to in Currency Certificate Condition 3 above:

(i) in the case of Currency Certificates relating to a basket of Subject Currencies and in respect of a Subject Currency, the spot rate of exchange appearing on the Relevant Screen Page at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent), multiplied by the relevant Weighting; and

(ii) in the case of Currency Certificates relating to a single Subject Currency, an amount equal to the spot rate of exchange appearing on the Relevant Screen Page at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available,

the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent).

5. Knock-in Event and Knock-out Event

(a) 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 Certificates 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.

(b) 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 Certificates 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.

(c) If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if a Disruption Event has occurred on any Knock-in Determination Day or Knock-out Determination 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.

(d) 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 for the Base Currency, Subject Currency and/or Subject Currencies and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one-hour period that begins or ends at the time on which the Subject Currency or Subject Currencies trigger the Knock-in Level or the Knock-out Level, a 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.

(e) 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.

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

"**Knock-in Event**" means (i) in the case of a single Subject Currency, that the value of the Subject Currency determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is and (ii) in the case of a basket of Subject Currencies, that the amount determined by the Calculation Agent equal to the sum of the values of each Subject Currency as the product of (x) the value of such Subject Currency as of the Knock-in Valuation Time on any Knock-in Determination Day and (y) the relevant Weighting is, (A) "greater than", "greater than or equal to", "less than" or "less than or equal to" the Knock-in Level, or (B) "within" the Knock-in Range Level, in each case as specified in the applicable Final Terms.

"**Knock-in Level**" means (i) in the case of a single Subject Currency, the value of the Subject Currency or (ii) in case of a basket of Subject Currencies, the value, in each case specified as such or otherwise determined in the applicable Final Terms, subject to adjustment in accordance with the provisions set forth in Currency Certificate Condition 2 and Currency Certificate Condition 3.

"**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 Range Level**" means the range of levels specified as such or otherwise determined in the applicable Final Terms.

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

"**Knock-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.

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

"**Knock-out Event**" means (i) in the case of a single Subject Currency, that the value of the Subject Currency determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is or (ii) in the case of a basket of Subject Currencies, that the amount determined by the Calculation Agent equal to the sum of the values of each Subject Currency as the product of (x) the value of such Subject Currency 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 (i) in the case of a single Subject Currency, the value of the Subject Currency or (ii) in the case of a basket of Subject Currencies, the value, in each case specified as such or otherwise determined in the applicable Final Terms, subject to adjustment in accordance with Condition 2 and Currency Certificate Condition 3.

"**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.

"**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.

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 Base Prospectus 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 Relating to the Bank and its Operations

See the section entitled "*Risk Factors*" contained on pages 5 to 12 of the Information Statement which is incorporated by reference in this Base Prospectus and which discloses all material risks relating to the Bank's ability to fulfil its obligations under the Securities to investors.

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 OTC contracts, cash and fees payable to it, or other assets acquired by it, in each case in connection with the issue of Securities or entry into other obligations 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

General

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, correlation, 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. 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), GDR or ADR (or basket of GDRs and/or ADRs), debt instrument (or basket of debt instruments), commodity or commodity index (or basket of commodities or commodity indices), inflation index (or basket of inflation indices), currency (or basket of currencies), fund share or unit (including fund shares in exchange traded funds) (or basket of fund shares or units), futures contracts (or basket of futures contracts), interest or other reference rate (a "**reference rate**") (or basket of reference rates), custom index (or basket of custom indices), 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) (each such entity a "**Reference Entity**" and, where the context admits, each an "**Underlying Reference**").

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 of the Underlying Reference or Credit Risk of the Reference Entity ("***Entities***") 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 of the relevant GDR and/or ADR or value of the basket of GDRs and/or ADRs will affect the value of GDR/ADR 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 value of the relevant inflation index or basket of inflation indices will affect the value of Inflation Securities. Fluctuations in the rates of exchange between the relevant currencies will affect the value of Currency Securities. Fluctuations in the value of the relevant fund share (including a fund share in an exchange traded fund) 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 Reference Entities will affect the value of the Credit Linked Securities. Fluctuations in the value of the relevant futures contracts or basket of futures contracts will affect the value of the Futures Securities. Fluctuations in the level of the relevant reference rate or basket of reference rates will affect the value of the Reference Rate Certificates. Fluctuations in the value of the relevant custom index or basket of custom indices will affect the value of Custom Index 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 commodity index or basket of commodities or commodity indices will affect the value of Commodity Securities. In the case of Hybrid Securities the Underlying Reference in respect of which is any combination of such indices, shares, debt, currencies, commodities, inflation indices, fund shares (including fund shares in an exchange traded fund), futures contracts, reference rates, custom 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.

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. 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.

Claims Against the Underlying Reference

The Securities do not represent a claim against any Underlying Reference (or any issuer, sponsor, manager or other connected person in respect of an Underlying Reference) and Holders will not have any right of recourse under the Securities to any such Underlying Reference (or any issuer, sponsor, manager or other connected person in respect of an Underlying Reference). The Securities are not in any way sponsored, endorsed or promoted by any issuer, sponsor,

manager or other connected person in respect of an Underlying Reference and such entities have no obligation to take into account the consequences of their actions on any Holders.

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.

Certain Factors Affecting the Value and Trading Price of Securities

The trading price of the Securities is affected by a number of factors including, but not limited to, the price or level of the relevant Underlying Reference or Underlying References, the time to expiration or redemption of the Securities and the actual or implied volatility and the correlation risk of the relevant Underlying Reference or Underlying References. Such factors may mean that the trading price of the Securities is below the Cash Settlement Amount or the value of the Entitlement, as applicable.

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.

A Security's purchase price may not reflect its inherent value

Prospective investors in the Securities should be aware that the purchase price of a Security does not necessarily reflect its inherent value. Any difference between a Security's purchase price and its inherent value may be due to a number of different factors including, without limitation, prevailing market conditions and fees, discounts or commissions paid or accorded to the various parties involved in structuring and/or distributing the Security. For further information prospective investors should refer to the party from whom they are purchasing the Securities. Prospective investors may also wish to seek an independent valuation of Securities prior to their purchase.

Meetings of Holders

The Terms and Conditions of the Securities contain provisions for calling meetings of Holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Holders including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority.

The Cash Settlement Amount or the physical delivery of the Entitlement May Be Less than the Value of an Investment in the Securities

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

Possible Illiquidity of the Securities in the Secondary Market

It is very difficult 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 and admit the Securities described herein for trading on Euronext Amsterdam 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 so obliged, 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 and may cease to do so at any time. 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. There may be no secondary market for the Securities and to the extent that an issue of Securities is or 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.

Minimum Trading Amount

Investors should note that the Securities may have a minimum trading amount. In such cases, if, following the transfer of any Securities, a Holder holds fewer Securities than the specified minimum trading amount, such Holder will not be permitted to transfer their remaining Securities prior to expiration or redemption, as applicable, without first purchasing enough additional Securities in order to hold the minimum trading amount.

Potential Conflicts of Interest

Certain entities within the Group or its affiliates (including, if applicable, any Manager) may also engage in trading activities (including hedging activities) relating to the Underlying Reference or Reference Entity and other instruments or derivative products based on or relating 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. 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 relating 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. In addition BNPP B.V., BNPP and their affiliates (including, if applicable, any Manager) may act in a number of different capacities in relation to an underlying index or custom index, including, but not limited to, issuer of the constituents of the index, index sponsor or calculation agent. 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 Issuer or the Guarantor, 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, a Settlement Disruption Event or Credit 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. Furthermore, the Calculation Agent will not act as a fiduciary or as an advisor to the Holders in respect of its duties as Calculation Agent.

In the case of Securities listed on the Italian Stock Exchange, any additional conflicts of interest with respect to such Securities will be specified in the applicable Final Terms.

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.

Risk of Leveraged Exposure

Leverage involves the use of a number of financial techniques to increase the exposure to an Underlying Reference, and can therefore magnify both returns and losses. While the use of leverage allows for potential multiples of a return (assuming a return is achieved) when the Underlying Reference moves in the anticipated direction, it will conversely magnify losses when the Underlying Reference moves against expectations. If the relevant Securities include leverage (such as OET Certificates), potential holders of such Securities should note that these Securities will involve a higher level of risk, and that whenever there are losses such losses may be higher than those of a similar security which is not leveraged. Investors should therefore only invest in leveraged Securities if they fully understand the effects of leverage.

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.

Taxation

Potential purchasers and sellers of Securities should be aware that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Securities are transferred and/or any asset(s) are delivered.

Change of Law

The Conditions of the English Law Securities are based on English law in effect as at the date of this Base Prospectus. The Conditions of the French Law Securities (including the OET Certificates) are based on French law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to an administrative practice or change to English law or French law, as applicable, after the date of this Base Prospectus.

Termination of Securities in the Event of Illegality or Impracticability

If the Issuer determines that the performance of its obligations under the Securities has become illegal or impracticable in whole or in part for any reason, the Issuer may cancel, in the case of Warrants, or redeem, in the case of Certificates, the Securities by paying to each Holder the fair market value of such Securities less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements. Such cancellation or redemption may result in an investor not realising a return on an investment in the Securities.

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.

Product Specific Risk Factors

Certain Considerations Associated with Index Securities

An investment in Index Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Index Securities, Holders will receive an amount (if any) determined by reference to the value of the underlying index/indices. Such underlying index may be a well known and widely published index or an index which may not be widely published or available. The index may reference, *inter alia*, equities, bonds, currency exchange rates, or other securities or it may be a property index referencing certain property price data which will be subject to market price fluctuations. A property index may include valuations only and not actual transactions and the property data sources used to compile the index may be subject to change, which may adversely affect the return on the Securities. Index Linked Interest Certificates pay interest calculated by reference the value of the underlying index/indices.

Certain Considerations Associated with Share Securities

An investment in Share Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Share Securities, Holders will receive an amount (if any) determined by reference to the value of the share(s) and/or the physical delivery of a given number of share(s). Accordingly, an investment in Share Securities may bear similar market risks to a direct equity investment and investors should take advice accordingly. Share Linked Interest Certificates pay interest calculated by reference to the value of the underlying share(s).

In the case of Share Securities, no issuer of the underlying shares will have participated in the preparation of the relevant Final Terms or in establishing the terms of the Securities, and none of the Issuer, the Guarantor or any Manager will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer of shares contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in this paragraph or in any relevant Final Terms) that would affect the trading price of the share will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer of shares could affect the trading price of the share and therefore the trading price of the Securities.

Except as provided in the Conditions, Holders will not have voting rights or rights to receive dividends or distributions or any other rights with respect to the relevant shares to which such Securities relate.

Certain Considerations Associated with GDR/ADR Securities

An investment in GDR/ADR Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of GDR/ADR Securities, Holders will receive an amount (if any) determined by reference to the value of the GDRs/ADRs redemption or exercise, as the case may be, and/or the physical delivery of a given number of GDRs/ADRs. Accordingly, an investment in GDR/ADR Securities may bear similar market risks to a direct GDR investment, and investors should take advice accordingly. GDR/ADR Linked Interest Certificates pay interest calculated by reference to the value of the underlying GDRs/ADRs.

Certain Considerations Associated with Debt Securities

An investment in Debt Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Debt Securities, Holders will receive an amount (if any) determined by reference to the value of the underlying debt instrument(s) and/or the physical delivery of a given number of debt instrument(s). Accordingly, an investment in Debt Securities may bear similar market risks to a direct debt instrument investment, and investors should take advice accordingly. Debt Linked Interest Certificates pay interest calculated by reference to the value of the underlying debt instrument(s).

Certain Considerations Associated with Commodity Securities

An investment in Commodity Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Commodity Securities, Holders will receive an amount (if any) determined by reference to the value of the commodity, commodity index, commodities and/or commodity indices. Accordingly, an investment in Commodity Securities may bear similar market risks to a direct commodity investment, and investors should take advice accordingly. Commodity Linked Interest Certificates pay interest calculated by reference to the value of the underlying commodity, commodity index, commodities and/or commodity indices.

Certain Considerations Associated with Inflation Index Securities

An investment in Inflation Index Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Inflation Index Securities, Holders will receive an amount (if any) determined by reference to the value of the underlying inflation index/indices. Inflation Index Linked Interest Certificates pay interest calculated by reference to the value of the underlying inflation index/indices.

Certain Considerations Associated with Currency Securities

An investment in Currency Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Currency Securities, Holders will receive an amount (if any) determined by reference to the value of the currency/currencies and/or the physical delivery of a given amount of a currency or currencies. Accordingly, an investment in Currency Securities may bear similar market risks to a direct currency investment, and investors should take advice accordingly. Currency Linked Interest Certificates pay interest calculated by reference to the value of the underlying currency/currencies.

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 currencies or particular currency indices are subsequently issued, the supply of warrants and options relating to such 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 Considerations Associated with Fund Securities

An investment in Fund Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Fund Securities, Holders will receive an amount (if any)

determined by reference to the value of the fund shares (including funds shares in exchange traded funds) or units and/or the physical delivery of a given number of fund shares or units. Accordingly, an investment in Fund Securities may bear similar market risks to a direct fund investment, and investors should take advice accordingly. Fund Index Linked Interest Certificates pay interest calculated by reference to the value of the underlying fund shares or units. The price of units or shares in a fund may be affected by the performance of the fund service providers, and in particular the investment adviser.

Certain Considerations Associated with Credit Certificates

The Issuers may issue Certificates where the amount payable is dependent upon whether certain events ("**Credit Events**") have occurred in respect of one or more Reference Entity/Entities and, if so, on the value of certain specified assets of such Reference Entity/Entities or where, if such events have occurred, such Issuers' obligation is to deliver certain specified assets.

The price of such Certificates may be volatile and will be affected by, amongst other things, the time remaining to the redemption date and the creditworthiness of the Reference Entity/Entities, which in turn may be affected by the economic, financial and political events in one or more jurisdictions.

Where the Certificates provide for physical delivery, the Issuer may determine that the specified assets to be delivered are either (a) 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 or (b) assets which the Issuer and/or any Affiliate has not received under the terms of any transaction entered into by the Issuer and/or such Affiliate to hedge the Issuer's obligations in respect of the Certificates. 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 Certificates and, in the case of payment of a cash amount, will affect the timing of the valuation of such Certificates and, as a result, the amount payable on redemption. Prospective purchasers should review the Terms and Conditions of the Certificates and the applicable Final Terms to ascertain whether and how such provisions should apply to the Certificates.

The Issuer's obligations in respect of Credit Certificates 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.

Additional Risk Factors for Credit Certificates

Credit risk on Reference Entities

The holders of Credit Certificates will be exposed to the credit of one or more Reference Entities, which exposure shall be, unless otherwise stated in the applicable Final Terms, to the full extent of their investment in such Certificates. Upon the occurrence of any of the default events comprising a Credit Event with respect to any Reference Entity, the Holders may suffer significant losses at a time when losses may be suffered by a direct investor in obligations of such Reference Entity. However, the holding of a Certificate is unlikely to lead to outcomes which exactly reflect the impact of investing in an obligation of a Reference Entity, and losses could be considerably greater than would be suffered by a direct investor in the obligations of a Reference Entity and/or could arise for reasons unrelated to such Reference Entity. Holders should also note that a Credit Event may occur even if the obligations of a Reference Entity are unenforceable or their performance is prohibited by any applicable law or exchange controls.

Where Cash Settlement or Auction Settlement applies, the occurrence of a Credit Event in relation to any Reference Entity from time to time may result in a redemption of the Certificates in a reduced redemption amount or at zero, and, (if applicable) in a reduction of the amount on which interest is calculated. Where Physical Settlement applies, the occurrence of a Credit Event may result in the redemption of the Certificates based on the valuation (or by delivery) of

certain direct or indirect obligations of the affected Reference Entity, which obligations are likely to have a market value which is substantially less than their par amount.

Investors in the Certificates are accordingly exposed, as to both redemption amount and (if applicable) interest, to the credit risk of the Reference Entity. The maximum loss to an investor in the Certificates is 100 per cent. of their initial investment, together with (if applicable) any interest amounts.

Credit observation period

Holders of the Certificates may suffer a loss of some or all of the redemption amount of the Certificates in respect of one or more Credit Events that occur prior to the Trade Date or the Issue Date. Neither the Calculation Agent or the Issuer nor any of their respective affiliates has any responsibility to inform any Holder, or avoid or mitigate the effects of a Credit Event that has taken place prior to the Trade Date or the Issue Date.

Increased credit risk in Nth-to-Default Credit Certificates

Where the Certificates are Nth-to-Default Credit Certificates, the Certificates will be subject to redemption in full as described above upon the occurrence of a Credit Event in relation to the nth Reference Entity.

Concentration of credit risk

Where the Certificates are Nth-to-Default Credit Certificates or Linear Basket Credit Certificates, the credit risk to investors in the Certificates may be increased, amongst other things, as a result of the concentration of Reference Entities in a particular industry sector or geographic area, or the exposure of the Reference Entities to similar financial or other risks as other Reference Entities.

Issuer and Calculation Agent rights

The Issuer will exercise its rights under the terms of the Certificates, including in particular the right to designate a Credit Event and the right to select obligations of the affected Reference Entity for valuation or delivery, in its own interests and those of its affiliates, and not in the interests of investors in the Certificates. The exercise of such rights in such manner, for example by the selection of the eligible obligations of the Reference Entity having the lowest possible market value for valuation or delivery, as applicable, may result in an increased credit loss for holders of the Certificates.

The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent shall (in the absence of manifest error) be final and binding on the Holders. In performing its duties pursuant to the Certificates and making any determinations expressed to be made by it, for example, as to substitute Reference Obligations or Successors, the Calculation Agent shall act in its sole and absolute discretion and is under no obligation to act in the interests of the Holders, nor will it be liable to account for any profit or other benefit which may accrue to it as a result of such determinations. The Calculation Agent is not bound to follow, or act in accordance with, any determination of the relevant Credit Derivatives Determinations Committee.

Actions of Reference Entities

Actions of Reference Entities (for example, merger or demerger or the repayment or transfer of indebtedness) may adversely affect the value of the Certificates. Holders of the Certificates should be aware that the Reference Entities to which the value of the Certificates is exposed, and the terms of such exposure, may change over the terms of the Certificates

Deferral of payments

In certain circumstances, for example where (a) a Credit Event has occurred and the related credit loss has not been determined as at the relevant date for payment, (b) where a potential Credit Event exists as at the Redemption Date of the Certificates, or (c) pending a resolution of a Credit Derivatives Determinations Committee, payment of the redemption amount of the Certificates and/or interest on the Certificates may be deferred for a material period in whole or part without compensation to the holders of the Certificates.

Valuation

If the Certificates are cash settled, then, following the occurrence of a Credit Event, the Calculation Agent will be required to seek quotations in respect of selected obligations of the affected Reference Entity. Quotations obtained will be "bid-side" - that is, they will be reduced to take account of a bid-offer spread charged by the relevant dealer. Such quotations may not be available, or the level of such quotations may be substantially reduced as a result of illiquidity in the relevant markets or as a result of factors other than the credit risk of the affected Reference Entity (for example, liquidity constraints affecting market dealers). Accordingly, any quotations so obtained may be significantly lower than the value of the relevant obligation which would be determined by reference to (for example) the present value of related cashflows. Quotations will be deemed to be zero in the event that no such quotations are available.

Where credit losses are determined on the basis of a market protocol, such losses may be greater than the losses which would have been determined in the absence of such protocol. If the Calculation Agent or any affiliate thereof participates in any auction for the purposes of such a protocol, then it will do so without regard to the interests of the holders of the Certificates. Such participation may have a material effect on the outcome of the relevant auction.

"Cheapest-to-Deliver" risk

Since the Issuer, as buyer of protection, has discretion to choose the portfolio of obligations to be valued or delivered following a Credit Event in respect of a Reference Entity where Cash or Physical Settlement apply, it is likely that the portfolio of obligations selected will be obligations of the Reference Entity with the lowest market value that are permitted to be selected pursuant to the Certificates. This could result in a lower recovery value and hence greater losses for investors in the Certificates.

No information

The Issuer and the Calculation Agent are not obliged to disclose to holders of the Certificates any information which they may have at the Issue Date or receive thereafter in relation to any Reference Entity.

Compounding of risks

Various risks relating to the Certificates may be correlated or compounded and such correlation and/or compounding may result in increased volatility in the value of the Certificates and/or in increased losses for holders of the Certificates.

No need for loss

Where the Certificates are Single Reference Entity Credit Certificates, Nth-to-Default Credit Certificates or Linear Basket Credit Certificates, credit losses will be calculated for the purposes of the Certificates irrespective of whether the Issuer or its affiliates has suffered an actual loss in relation to the Reference Entity or any obligations thereof. The Issuer is not obliged to account for any recovery which it may subsequently make in relation to such Reference Entity or its obligations.

No interest in obligations of Reference Entities

The Certificates do not constitute an acquisition by the holders of the Certificates of any interest in any obligation of a Reference Entity. The Issuer does not grant any security interest over any such obligation.

Absence of benchmarks for valuation

In determining the value of the Certificates, dealers may take into account the level of a related credit index in addition to or as an alternative to other sources of pricing data. If any relevant index ceases to be liquid, or ceases to be published in its entirety, then the value of the Certificates may be adversely affected.

Historical performance may not predict future performance

Individual Reference Entities may not perform as indicated by the historical performance of similar entities and no assurance can be given with respect to the future performance of any Reference Entities. Historical default statistics may not capture events that would constitute Credit Events for the purposes of the Certificates.

Limited provision of information about the Reference Entities

This Prospectus does not provide any information with respect to the Reference Entities. Investors should conduct their own investigation and analysis with respect to the creditworthiness of Reference Entities and the likelihood of the occurrence of a Succession Event or Credit Event.

Reference Entities may not be subject to regular reporting requirements under United Kingdom securities laws. The Reference Entities may report information in accordance with different disclosure and accounting standards. Consequently, the information available for such Reference Entities may be different from, and in some cases less than, the information available for entities that are subject to the reporting requirements under the United Kingdom securities laws. None of the Issuer or the Calculation Agent or any of their respective affiliates make any representation as to the accuracy or completeness of any information available with respect to the Reference Entities.

None of the Issuer or the Calculation Agent or any of their respective affiliates will have any obligation to keep investors informed as to any matters with respect to the Reference Entities or any of their obligations, including whether or not circumstances exist that give rise to the possibility of the occurrence of a Credit Event or a Succession Event with respect to the Reference Entities.

Credit Derivatives Determinations Committee and Market Auctions

The institutions of the Credit Derivatives Determinations Committee owe no duty to the Holders and have the ability to make determinations that may materially affect the Holders, such as the occurrence of a Credit Event or a Succession Event. The Credit Derivatives Determinations Committee may be able to make determinations without action or knowledge of the Holders.

Holders may have no role in the composition of the Credit Derivatives Determinations Committee. Separate criteria apply with respect to the selection of dealer and non-dealer institutions to serve on the Credit Derivatives Determinations Committee and the Holders may have no role in establishing such criteria. In addition, the composition of the Credit Derivatives Determinations Committee will change from time to time in accordance with the Rules, as the term of an institution may expire or an institution may be required to be replaced. The Holders may have no control over the process for selecting institutions to participate on the Credit Derivatives Determinations Committee and, to the extent provided for in the Certificates, will be subject to the determinations made by such selected institutions in accordance with the Rules.

Holders may have no recourse against either the institutions serving on the Credit Derivatives Determinations Committee or the external reviewers. Institutions serving on the Credit Derivatives Determinations Committee and the external reviewers, among others, disclaim any duty of care or liability arising in connection with the performance of

duties or the provision of advice under the Rules, except in the case of gross negligence, fraud or wilful misconduct. Furthermore, the institutions on the Credit Derivatives Determinations Committee do not owe any duty to the Holders and the Holders will be prevented from pursuing claims with respect to actions taken by such institutions under the Rules.

Holders should also be aware that institutions serving on the Credit Derivatives Determinations Committee have no duty to research or verify the veracity of information on which a specific determination is based. In addition, the Credit Derivatives Determinations Committee is not obligated to follow previous determinations and, therefore, could reach a conflicting determination on a similar set of facts. If the Issuer or the Calculation Agent or any of their respective affiliates serve as a member of the Credit Derivatives Determinations Committee at any time, then they will act without regard to the interests of the Holders.

Holders are responsible for obtaining information relating to deliberations of the Credit Derivatives Determinations Committee. Notices of questions referred to the Credit Derivatives Determinations Committee, meetings held to deliberate such questions and the results of binding votes will be published on the ISDA website and neither the Issuer, the Calculation Agent nor any of their respective affiliates shall be obliged to inform the Holders of such information (other than as expressly provided in respect of the Certificates. Failure by the Holders to be aware of information relating to deliberations of a Credit Derivatives Determinations Committee will have no effect under the Certificates and Holders are solely responsible for obtaining any such information.

Investors should read the Credit Derivatives Determinations Committees Rules set forth in Annex A to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions (published on March 12, 2009), as they exist as of the date of this Prospectus, and reach their own views prior to making any investment decisions. Investors should however note that the Rules may be amended from time to time without the consent or input of the Holders and the powers of the Credit Derivatives Determinations Committee may be expanded or modified as a result.

If a Credit Derivatives Determinations Committee publishes auction settlement terms in respect of a Reference Entity (and the relevant seniority of the Reference Obligation), then, if Auction Settlement applies to the Certificates, the Calculation Agent will determine the Final Price of the Reference Obligation in accordance with such auction settlement terms and may amend any other terms of the Swap Agreement to be consistent with the provisions of such auction settlement terms. The losses determined pursuant to a market auction process may be greater than the losses which would have been determined in the absence of the auction. In particular, the auction process may be affected by technical factors or operational errors which would not otherwise apply or may be the subject of actual or attempted manipulation. Auctions may be conducted by ISDA or by a relevant third party. Neither the Calculation Agent, the Issuer nor any of their respective affiliates has any responsibility for verifying that any auction price is reflective of current market values, for establishing any auction methodology or for verifying that any auction has been conducted in accordance with its rules. If the Calculation Agent or the Issuer or any of their respective affiliate thereof participates in any auction, then it will do so without regard to the interests of the holders of the Certificates. Such participation may have a material effect on the outcome of the relevant auction.

Modification of the terms of the Certificates

The Calculation Agent may, following its determination that there has been a change in the prevailing market standard terms or market trading conventions that affects any hedging transaction, modify the terms of the Certificates to the extent necessary to preserve any consistency between the Certificates and the hedging transaction. If the Calculation Agent modifies the terms of the Certificates, it will do so without regard to the interests of the holders of the Certificates and any such modification may be prejudicial to the interests of the holder of the Certificates.

Certain Considerations Associated with Futures Securities

An investment in Futures Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Futures Securities, Holders will receive an amount (if any) determined by reference to the value of the futures contract(s) and/or the physical delivery of a given number of futures contract(s). Accordingly, an investment in Futures Securities may bear similar market risks to a direct futures contract investment and investors should take advice accordingly. Futures Linked Interest Certificates pay interest calculated by reference to the value of the underlying futures contract(s).

Certain Considerations Associated with Reference Rate Certificates

An investment in Reference Rate Certificates will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Reference Rate Certificates, Holders will receive an amount (if any) determined by reference to the level or value of the underlying reference rate(s).

Certain Considerations Associated with Custom Index Securities

An investment in Custom Index Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Custom Index Securities, Holders will receive an amount (if any) determined by reference to the value of the underlying custom index/custom indices. Such custom index may be an index established and calculated by the Issuer or its affiliates or another entity which may not be widely published or available. The custom index may reference, *inter alia*, equities, bonds or other securities, commodities or it may be a property index referencing certain property price data which will be subject to market price fluctuations, or reference a number of different assets or indices. Custom Index Linked Interest Certificates pay interest calculated by reference the value of the underlying custom index/custom indices.

Custom Index Linked Securities are linked to a proprietary index which may be sponsored and/or calculated by BNP Paribas or one of its affiliates. Pursuant to the operational rules of the Custom Index, the Custom Index is scheduled to be calculated on each weekday. In the event that one of the levels of a component included in the Custom Index is not available for any reason on any weekday (i.e., either because it is a non-scheduled trading day in respect of that index component or that index component is subject to a market disruption or otherwise), then the Calculation Agent of the Custom Index may, but is not obliged to, calculate the level of the Custom Index on that day by taking a value for the affected index component from the first preceding day on which a level for such affected index component was available.

For the avoidance of doubt, the Issuer and/or its affiliates may not be able to trade on and hedge its obligations in respect of the Custom Index under the Securities notwithstanding the calculation of the level of the Custom Index. In the event that the Strike Date or any Valuation Date is a Disrupted Day for the Custom Index, the Strike Date or Valuation Date shall be the first succeeding day on which the Issuer or relevant affiliate is able to trade on and hedge it obligations in respect of the Custom Index, subject to a specified maximum days of disruption, as more fully set out in the Terms and Conditions of the Securities.

Certain Considerations Associated with Hybrid Securities

An investment in Hybrid Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Hybrid Securities Holders will receive an amount (if any) determined by reference to the value of a combination of a number of different Underlying References. Hybrid Linked Interest Certificates pay interest calculated by reference to the value of the combination of a number of Underlying References.

Certain Considerations Associated with Open End Certificates and OET Certificates

Open End Certificates and OET Certificates do not have any pre-determined maturity and may be redeemed on any date determined by the Issuer, in its sole and absolute discretion, subject to compliance with the provisions of the Terms and Conditions of the Certificates. Investment in Open End Certificates and OET Certificates will entail additional risks compared with other Certificates, due to the fact that the redemption date for such Open End Certificates and OET Certificates cannot be determined by the investor.

Open End Certificates and OET Certificates may only be governed by French law.

Certain Considerations Associated with Knock-in Event and Knock-out Event Securities and OET Certificates listed on Euronext Paris

Securities in respect of which "Knock-in Event" or "Knock-out Event" is specified as applicable in the relevant Final Terms and OET Certificates, in each case listed on Euronext Paris constitute "leverage products" (*produits à levier*) within the meaning of the classification of warrants and certificates published by Euronext Paris (now Euronext Paris) in a notice dated 7 November 2007. The use of such classification is recommended by the French *Autorité des Marchés Financiers* in accordance with its press release of 28 November 2007. However, all the characteristics and risks of the above mentioned Securities and OET Certificates may not be totally reflected by this classification. In addition, this classification may be amended at any time by Euronext Paris.

Certain Considerations Associated with Multiple Exercise Certificates

If the Certificates are specified to be Multiple Exercise Certificates, each Certificate will, subject to the renouncement by a Certificate holder, be automatically exercised on each Exercise Date and the relevant Cash Settlement Amount (if any) paid on the relevant Exercise Settlement Date. Following the payment of the Cash Settlement Amount (if any) in respect of the final Exercise Settlement Date, the Issuer shall have discharged its obligations in respect of the Certificates and shall have no other liability or obligation whatsoever in respect of such Certificates.

Additional Factors relating to certain Underlying References

Certain Considerations Associated with Securities linked to Funds

Where the Issuer issues Fund Securities linked to one or more Funds, including Hedge Funds, the relevant Securities reflect the performance of such fund(s).

Funds may trade and invest in a broad range of investments such as debt and equity securities, commodities and foreign exchange and may enter into derivative transactions, including, without limitation, futures and options. Funds may often be illiquid and may only be traded on a monthly, quarterly or even less frequent basis. The trading strategies of Funds are often opaque. Funds, as well as the markets and instruments in which they invest, are often not subject to review by governmental authorities, self-regulatory organisations or other supervisory authorities.

For all the above reasons, investing directly or indirectly in Funds is generally considered to be risky. If the underlying Fund does not perform sufficiently well, the value of the Security will fall, and may in certain circumstances be zero.

Certain Considerations Associated with Securities Linked to Emerging Markets

The Issuer may issue Securities where the amount payable on exercise or redemption or the interest payable is linked to Underlying References which consist of (i) securities, funds or indices comprising securities of issuers that are located in, or subject to regulation in, emerging or developing countries, or (ii) securities which are denominated in the currency of, or are traded in, emerging or developing countries or (iii) currencies of emerging or developing countries. Prospective investors should note that additional risks may be associated with investment in such Securities, including risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and

regulation, and uncertainties as to the status, interpretation and application of laws including, but not limited to, those relating to expropriation, nationalisation and confiscation. Securities traded in emerging or developing countries tend to be less liquid and the prices of such securities more volatile. In addition, settlement of trades in some such markets may be slower and more subject to failure than in markets in developed countries.

Increased custodian costs as well as administrative difficulties (such as the applicability of the laws of the jurisdictions of emerging or developing countries to custodians in such jurisdictions in various circumstances, including bankruptcy, ability to recover lost assets, expropriation, nationalisation and record access) may also arise from the maintenance of assets in such emerging or developing countries.

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. 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.

Certain Considerations Associated with certain Dynamic Securities

The Issuer may issue dynamic Securities ("**Dynamic Securities**"). Dynamic Securities may be linked to a portfolio or strategy often comprising assets with a greater potential for return and consequently greater risk (e.g. a Hedge Fund) and assets with a lower return and consequently lesser risk (e.g. a zero coupon debt security issued by an issuer with a high credit rating). The portfolio or strategy may include leverage on certain specified terms. The portfolio or strategy is dynamic and may rebalance between the relevant assets based upon a specified allocation methodology. The value of Dynamic Securities is determined by reference to the underlying portfolio or strategy. This portfolio or strategy may change during the term of the Securities, which may affect the value of, and any return on, the Securities.

Considering the above aspects, Dynamic Securities are by their nature intrinsically complex, which makes their evaluation difficult in terms of risk at the time of the purchase as well as thereafter. Investors should therefore purchase Dynamic Securities only after having completely understood and evaluated either themselves or with a financial adviser the nature and the risk inherent in the Dynamic Security.

Additional Factors Relating to Disruption and Adjustments

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 the Strike Date (as defined below), 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 the Strike Date, such Valuation Date, such Averaging Date or such Observation Date, any consequential postponement of the Strike Date, 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, and 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 where 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 Index Adjustment Amount**") as soon as practicable following the occurrence of the Index Adjustment Event (the "**Calculated Index Adjustment Amount Determination Date**") and, on the Redemption Date, shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Index Adjustment Amount plus interest accrued from and including the Calculated Index Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to the Issuer's funding cost at such time or (y) if greater, the Notional Amount.

Index OET Certificates shall also be subject to specific adjustments, as described in "*Terms and Conditions of Open End Turbo Certificates*" if certain events occur with respect to an underlying Index.

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 (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of 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.

Extraordinary Events relating to Share Securities

In the case of Share Securities, if an Extraordinary Event (as defined below) occurs in relation to a Share, the Issuer in its sole and absolute discretion may take the action described in (i), (ii), (iii), (if applicable), (iv) or, in the case of Securities relating to a Basket of Shares only (v) 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 (where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of the Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event made by any options exchange to options on the Shares traded on that options exchange, and may substitute any affected Shares in accordance with the provisions of (v) below;

(ii) in the case of Warrants, and in the case of Certificates, unless Delayed Redemption on the Occurrence of an 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, each Redeemed Amount (where the Securities are cancelled or redeemed in part) or each Security, or Unit, as the case may be, (where all of the Securities or Units, as the case may be, are cancelled or redeemed) being cancelled or redeemed by payment of an amount equal to the fair market value of the Redeemed Amount or the Security, or Unit, as the case may be, taking into account the relevant Extraordinary Event less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements plus, in the case of Warrants, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion;

(iii) in the case of Certificates and where Delayed Redemption on the Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate, taking into account the Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Extraordinary Event Amount**") as soon as practicable following the occurrence of the relevant Extraordinary Event (the "**Calculated Extraordinary Event Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Extraordinary Event Amount plus interest accrued from and including the Calculated Extraordinary Event Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if greater, the Notional Amount;

(iv) following an adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of the 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 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, with reference to the rules and precedents (if any) set by the Options Exchange to account for the

Extraordinary Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or

(v) on or after the relevant Extraordinary Event Effective Date, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each, a "**Substitute Share**") for each Share (each, an "**Affected Share**") of each Basket Company (each, an "**Affected Basket Company**") which is affected by such Extraordinary Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the 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, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

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

where:

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

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

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

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

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

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

(x) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and the relevant share is not already included in the Basket of Shares, the relevant share shall be an ordinary share of the entity or person (other than the Affected Basket Company) involved in the Merger Event or the making of the Tender Offer, that is, or that as of the relevant Extraordinary Event Effective Date is promptly scheduled to be, (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations; or

(y) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and a share would otherwise satisfy the criteria set out in paragraph (x) above, but such share is already included in the Basket of Shares, or in the case of an Extraordinary Event other than a Merger Event or a Tender Offer:

1. the relevant issuer of the share shall belong to the same economic sector as the Affected Basket Company; and

2. the relevant issuer of the share shall have a comparable market capitalisation, international standing and exposure as the Affected Basket Company.

Following such cancellation or redemption, an investor generally would not be able to reinvest the relevant proceeds at an effective interest rate as high as the effective return on the relevant Securities being cancelled or 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. Consequently the occurrence of an Extraordinary Event in relation to a Share may have an adverse effect on the value or liquidity of the Securities.

Share OET Certificates shall also be subject to specific adjustments, as described in "*Terms and Conditions of Open End Turbo Certificates*" if certain events occur with respect to an underlying Share.

Market Disruption Events relating to Commodity Securities

If a Market Disruption Event (other than in respect of Commodity OET Certificates) occurs 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 or Commodity Index, the price for that Commodity or Commodity Index 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 or Commodity Index and any other information that in good faith it deems relevant; or

(ii) in the case of Warrants and 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 cancel or redeem, as applicable, the Securities, and pay in respect of each Security an amount equal to the fair market value of such Securities 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 the case of Certificates, where 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 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.

Consequently the occurrence of a Market Disruption Event in relation to a Commodity or Commodity Index may have an adverse effect on the value or liquidity of the Securities.

Commodity OET Certificates shall also be subject to specific adjustments, as described in "*Terms and Conditions of Open End Turbo Certificates*" if certain events occur with respect to an underlying Commodity.

Other Events relating to Fund Securities

In the case of Fund Securities, following the occurrence of an Extraordinary Fund Event, the Issuer may substitute the relevant Fund Shares with fund shares of a fund with similar characteristics or, if no such fund is selected, with a

replacement index or fund which tracks the performance of an index or terminate the Securities depending or whether such Extraordinary Fund Event is a Substitution Event or a Termination Event.

Consequently the occurrence of an Extraordinary Fund Event may have an adverse effect on the value or liquidity of the Securities.

In addition, in the event that redemption proceeds in respect of the underlying Fund Shares are not received by the Hedge Provider on or prior to the scheduled date for redemption or settlement, as the case may be, such redemption or settlement date may be postponed for a period of up to two calendar years (or such other period as may be specified in the applicable Final Terms) and no additional amount shall be payable to Holders as a result of such delay.

Market Disruption Event relating to Futures Securities

In the case of Futures Securities, if, on or prior to the last Valuation Date, the last Observation Date or the last Averaging Date, (i) the relevant Exchange makes or announces that it will make a material change in the conditions of the relevant Future (a "**Futures Modification**"), (ii) the relevant Exchange replaces the Future by a new futures contract to be substituted for the Future (a "**Futures Replacement**") or (iii) the relevant Exchange announces that the Future has ceased (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason and is 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) (a "**Futures De-Listing**" and, together with a Futures Modification and a Futures replacement, each a "**Futures Adjustment Event**"), then:

(i) following the occurrence of a Futures Modification or a Futures Replacement, the Calculation Agent shall determine if such Futures Modification or Futures Replacement has a material effect on the Securities and, if so, shall use the Future so modified or replaced in lieu of the initial Future with respect to the relevant Securities; or

(ii) in the case of Warrants, and in the case of Certificates unless Delayed Redemption on Occurrence of Futures Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may cancel or redeem the Securities by giving notice to Holders and pay in respect of each Security an amount equal to the fair market value of a Security 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, where Delayed Redemption on Occurrence of Futures 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 Futures Adjustment Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Futures Adjustment Amount**") as soon as practicable following the occurrence of the Futures Adjustment Event (the "**Calculated Futures Adjustment 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 Futures Adjustment Amount plus interest accrued from and including the Calculated Futures Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to the Issuer's funding cost at such time or (y) if greater, the Notional Amount.

Consequently the occurrence of a Market Disruption Event in relation to a Future may have an adverse effect on the value or liquidity of the Securities.

Adjustment Events relating to Custom Index Securities

In the case of Custom Index Securities, if a relevant Custom Index is (i) not calculated and announced by the Index Sponsor in respect of the Custom 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 Custom Index, then, in each case, that index will be deemed to be the Custom Index. In addition, if a Custom Index Modification, a Custom Index Cancellation or a Custom Index Disruption (each as defined below) occurs (each being a "**Custom Index Adjustment Event**"), then, except as may be limited in the case of U.S. Securities,

(i) the Calculation Agent shall determine if such Custom 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, and in the case of Certificates, unless Delayed Redemption on Occurrence of Custom 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 Custom Index Adjustment Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion; or

(iii) in the case of Certificates and where Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Custom Index Adjustment Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment 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 Custom Index Adjustment Amount plus interest accrued from and including the Calculated Custom Index Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to the 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. Additional Disruption Events

If an Additional Disruption Event (other than a Failure to Deliver due to Illiquidity) occurs then:

(i) the Calculation Agent will determine the appropriate adjustment, if any, to be made 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 the 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) in the case of Warrants or in the case of Certificates unless Delayed Redemption on Occurrence of Additional Disruption Event is specified as being applicable in the applicable Final Terms, on giving notice to Holders in accordance with Condition 11, the Issuer will cancel or redeem the Securities, and pay in respect of each Security an amount equal to the fair market value of a Security taking into account the Additional Disruption Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion; or

(iii) in the case of Certificates, where Delayed Redemption on Occurrence of Additional 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 Additional Disruption Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Additional Disruption Amount**") as soon as practicable following the occurrence of the Additional Disruption Event (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; or

(iv) in the case of Securities linked to a Basket of Shares the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each, a "**Substitute Share**") for each Share (each, an "**Affected Share**") which is affected by the Additional Disruption Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the 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, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

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

where:

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

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

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

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

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

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

1. is not already included in the Basket of Shares;

2. the relevant issuer of such share belongs to the same economic sector as the Basket Company in respect of the Affected Share; and

3. the relevant issuer of such share has a comparable market capitalisation, international standing and exposure as the Basket Company in respect of the Affected Share.

If a Failure to Deliver due to Illiquidity occurs:

(i) subject as provided in the Conditions, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Redemption Date; and

(ii) in respect of any Affected Relevant Assets, in lieu of physical settlement except in the case of U.S. Certificates (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 Security, 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.

Consequently the occurrence of an Additional Disruption Event may have an adverse effect on the value or liquidity of the Securities.

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 relevant Issuer may, in its 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 Issuer may, in its 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, comprise 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.

Interest

Interest linked to an Underlying Reference

Interest payable on Underlying Reference Linked Interest Certificates may be determined by reference to an Underlying Reference or combinations of a number of different Underlying References. 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) an Underlying Reference may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

(v) if an Underlying Reference is applied to Certificates in conjunction with a weighting greater than one or contains some other leverage factor, the effect of changes in the Underlying Reference on interest payable will be magnified;

(vi) the timing of changes in an Underlying Reference 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 Underlying Reference, 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 Underlying Reference 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 at 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.

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, 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) may be higher for certain developing or emerging markets as further described in "*Certain Considerations Associated with Securities Linked to Emerging Markets*" above.

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 the 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 the exercise of Warrants arising from any daily maximum exercise limitation, the occurrence of a Market Disruption Event or the 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.

RESPONSIBILITY STATEMENT

Each of BNPP B.V. (in respect of itself) and BNPP (in respect of itself and BNPP B.V.) accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of each of BNPP B.V. and BNPP (who have taken all reasonable care to ensure that such is the case), the information contained herein is in accordance with the facts and does not omit anything likely to affect the import of such information.

Information contained in this Base Prospectus which is sourced from a third party has been accurately reproduced and, as far as the relevant Issuer is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The relevant Issuer has also identified the source(s) of such information.

The applicable Final Terms will (if applicable) specify the nature of the responsibility taken by the relevant Issuer and, if applicable, the Guarantor for the information relating to the underlying asset, index or other item(s) to which the Securities relate, which is contained in such Final Terms.

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 Prospetti 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 tele 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, congiuntamente alle società controllate che rientrano nel proprio perimetro di consolidamento, il **Gruppo**)
Garante	BNP Paribas
Descrizione di BNPP B.V.	BNPP B.V. è una *private company* a responsabilità limitata costituita ai sensi della legge olandese. Le sue attività principali riguardano l'emissione e l'acquisto di strumenti finanziari di qualsiasi natura e la sottoscrizione dei relativi contratti per conto dei vari soggetti del Gruppo. Il suo oggetto sociale, come descritto nello statuto, comprende principalmente le seguenti attività: (i) ottenere e concedere prestiti e raccogliere fondi, ivi incluse, a mero titolo esemplificativo, l'emissione o l'acquisto di prestiti obbligazionari, strumenti di debito, strumenti finanziari quali, tra l'altro, titoli di qualsiasi natura, indicizzati o meno a, *inter alia*, azioni, panieri di azioni, indici di borsa, valute, *commodities,* indici su *commodities o future su commodities* e la stipula di contratti connessi; e (ii) svolgere attività industriali, finanziarie e commerciali di qualsiasi natura e tutte le altre attività che possano essere considerate correlate o strumentali al raggiungimento del proprio oggetto sociale.
Descrizione di BNPP	Il Gruppo è uno dei principali soggetti che forniscono servizi bancari e finanziari in Europa ed opera in quattro mercati nazionali bancari *retail* in Europa, ovvero Belgio, Francia, Italia e Lussemburgo. È presente in oltre 80 paesi e ha più di 200.000 dipendenti, di cui 160.000 in Europa. BNP Paribas ha una posizione di rilievo nelle tre attività che svolge: • *Retail Banking*, che include le seguenti entità operative: - *French Retail Banking (FRB),*

- -*BNL Banca Commerciale (BNL bc), retail banking italiana,*
- *BeLux Retail Banking,*
- *European Mediterranean,*
- *BancWest,*
- *Personal Finance,*
- *Equipment Solutions,*

- *Investment Solutions,*
- *Corporate and Investment Banking (CIB).*

L'acquisizione di Fortis Banque e BGL ha rafforzato le attività di *retail banking* in Belgio e Lussemburgo, nonché *Investment Solutions* e *Corporate and Investment Banking*.

BNP Paribas è la società capogruppo.

Al 31 dicembre 2009, il Gruppo riportava nel proprio bilancio attività consolidate per un totale di 2.057,7 miliardi di euro (rispetto ai 2.075,6 miliardi di euro al 31 dicembre 2008), mutui consolidati e crediti verso clientela per un totale di 678,8 miliardi di euro (rispetto ai 494,4 miliardi di euro al 31 dicembre 2008), voci di debito consolidate verso clientela per 604,9 miliardi di euro (rispetto ai 414,0 miliardi di euro al 31 dicembre 2008) ed un patrimonio netto (a livello di Gruppo) di 69,5 miliardi di euro (rispetto ai 53,2 miliardi di euro al 31 dicembre 2008). L'utile netto al lordo delle imposte al 31 dicembre 2009 è stato di 9,0 miliardi di euro (rispetto ai 3,9 miliardi di euro al 31 dicembre 2008). L'utile netto, a livello di Gruppo, al 31 dicembre 2009 è stato di 5,8 miliardi di euro (rispetto ai 3,0 miliardi di euro al il 31 dicembre 2008).

Descrizione del Programma

Programma di *Warrant* e di *Certificates*

Fattori di Rischio (Emittente)

Esistono certi fattori di rischio suscettibili di influenzare la capacità di ciascun Emittente di adempiere le obbligazioni derivanti dai Titoli emessi ai sensi del Programma e, ove applicabile, la capacità del Garante di adempiere le proprie obbligazioni ai sensi della Garanzia. Tali rischi comprendono i seguenti fattori di rischio relativi alla Banca ed al settore in cui opera:

Nove principali categorie di rischio riguardano le attività della Banca:

- Rischio di Credito e Rischio di Controparte;
- Rischio di Mercato;
- Rischio Operativo;
- Rischio di Gestione delle Attività-Passività (*Asset-Liability Management Risk*);
- Rischio di Rifinanziamento e di Liquidità (*Liquidity and Refinancing Risk*);
- Rischio Assicurativo;

- Rischio di Pareggio (*Break-even Risk*);
- Rischio di Strategia (*Strategy Risk*); e
- Rischio di Concentrazione (*Concentration Risk*).

La criticità delle condizioni economiche e di mercato potrebbe avere in futuro un impatto fortemente negativo sul contesto operativo delle istituzioni finanziarie e quindi sulla condizione finanziaria, sui risultati operativi e sul costo del rischio della Banca.

La recente crisi finanziaria ha comportato, ed è probabile che continuerà a comportare, una regolamentazione più restrittiva del settore dei servizi finanziari, il che potrebbe avere un effetto negativo sull'attività, sulla condizione finanziaria e sui risultati operativi della Banca.

Varie misure eccezionali adottate dai governi, banche centrali e autorità di regolamentazione al fine di trovare dei rimedi alla crisi finanziaria, stabilizzare i mercati finanziari e rafforzare le istituzioni finanziarie sono state di recente, o saranno presto completate o portate a termine, circostanza che, considerato il recupero attualmente fragile, potrebbe influenzare negativamente le condizioni operative per le banche.

Un incremento sostanziale dei nuovi accantonamenti ovvero una inadeguatezza degli accantonamenti precedenti potrebbe avere conseguenze negative sui risultati operativi e sulla condizione finanziaria della Banca.

La Banca può incorrere in perdite significative nelle proprie attività di negoziazione e di investimento a causa delle oscillazioni e della volatilità del mercato.

La Banca può generare ricavi inferiori dalle attività di intermediazione e da altre attività basate su commissioni ed onorari durante periodi di flessione del mercato.

I prolungati periodi di flessione del mercato possono ridurre la liquidità nei mercati, rendendo più complessa la vendita di *assets* e rischiando di condurre a notevoli perdite.

Variazioni significative dei tassi di interesse potrebbero avere un impatto negativo sui ricavi o sulla redditività della Banca.

La solidità e l'operatività delle altre istituzioni finanziarie e degli operatori di mercato potrebbero influenzare negativamente la Banca.

La posizione competitiva della Banca potrebbe essere indebolita qualora fosse danneggiata la reputazione di quest'ultima.

Una interruzione o violazione dei sistemi informativi della Banca potrebbe avere come conseguenza una diminuzione dell'attività ed altre perdite.

Eventi esterni imprevisti possono interrompere le attività della Banca e causare ingenti perdite e costi aggiuntivi.

La Banca è soggetta a controlli approfonditi ed in continua evoluzione da parte di organismi di vigilanza e regolamentari nei paesi e nelle regioni in cui opera.

Nonostante le politiche, le procedure ed i metodi di gestione del rischio messi in atto dalla Banca, la stessa potrebbe essere ancora esposta a rischi non identificati o imprevisti, che potrebbero causare perdite rilevanti.

Le strategie di copertura della Banca possono non essere sufficienti ad evitare perdite.

La politica di crescita esterna della Banca comporta alcuni rischi, in particolare per quanto riguarda l'integrazione di entità acquisite, e la Banca potrebbe non essere in grado di realizzare i benefici attesi dalle suddette acquisizioni.

L'intensa concorrenza, soprattutto in Francia, dove la Banca concentra principalmente le proprie attività, potrebbe avere un impatto negativo sui ricavi e sulla redditività della Banca.

I seguenti fattori di rischio si applicano a 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 o altre obbligazioni. BNPP B.V. non detiene, e non deterrà, *assets* diversi da contratti OTC, *cash* e commissioni pagabili alla 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 da parte dell'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.

I Titoli venduti negli Stati Uniti o a *U.S Persons* possono essere soggetti a restrizioni alla circolazione.

Fattori di Rischio (Titoli)

Esistono anche certi fattori di rischio di rilevante importanza al fine della valutazione dei rischi di mercato associati ai Titoli emessi ai sensi del Programma. Tali fattori, illustrati di seguito nella sezione "Fattori di Rischio", comprendono l'esposizione ad uno o più indici, azioni, *global depositary receipt* ("**GDR**"), *American depositary receipt* ("**ADR**"), interessi in uno strumento negoziato in borsa, strumenti di debito, *commodity* e/o indici su *commodity*, indici inflazione, valute, quote o unità di fondi, contratti *futures*, e/o il credito di una o più entità di riferimento, (ognuno un **Sottostante di Riferimento**), leva, interesse, fattori che influiscono sul valore e il prezzo di negoziazione dei Titoli, alcune condizioni relative alle coperture, rischi specifici dei Titoli legati a Indici, dei Titoli legati ad Azioni, dei Titoli legati a ETI, dei Titoli legati a Strumenti di Debito, dei Titoli legati a *commodity*, dei Titoli legati all'Indice Inflazione, dei Titoli legati a Valute, dei Titoli legati a Fondi, dei Titoli legati a *futures*, Titoli legati al Credito e Titoli Ibridi (ciascuno secondo la definizione data di seguito), rischi specifici che riguardano i Titoli, legati ad un Sottostante di Riferimento legato a mercati emergenti o in via di sviluppo, rischi specifici dei Titoli *Dynamic*, limitazioni alla

quantità minima negoziabile dei Titoli, limitazioni all'esercizio e allo sfasamento temporale successivo all'esercizio dei *Warrants*, facoltà di modificare le modalità di regolamento, assenza di scadenza prefissata per i Certificati *Open End* e i Certificati *OET*, turbativa del mercato o mancata apertura delle borse, turbativa della liquidazione, eventi di turbativa aggiuntivi, potenziali eventi di rettifica o eventi straordinari che incidono sulle azioni, interessi in strumenti negoziati in borsa o azioni del fondo, eventi straordinari per il fondo, spese e tasse, illegalità (*illegality*), assemblee dei portatori dei Titoli, informazioni successive all'emissione, modifiche normative, effetti della riduzione del rating di credito, potenziali conflitti di interesse e possibile illiquidità dei Titoli sul mercato secondario.

Titoli

I Titoli possono essere emessi come Titoli legati ad indici (**Titoli legati ad Indici**), Titoli legati ad azioni, GDR o ADR (**Titoli legati a Azioni**), Titoli legati a strumenti negoziati in borsa (**Titoli legati a ETI**), Titoli legati a strumenti di debito (**Titoli legati a Strumenti di Debito**) Titoli legati a *commodity* (**Titoli legati a *Commodity***), Titoli legati all'indice inflazione (**Titoli Legati all'Indice Inflazione**), Titoli legati a valute (**Titoli legati a Valute**), Titoli legati a fondi (**Titoli legati a Fondi**), Titoli legati a contratti *futures* (**Titoli legati a contratti *Futures***), Titoli legati al Credito (**Titoli legati al Credito**), o *open end turbo Certificates* (**Certificati OET**) che saranno *liquida*ti alla data determinata dall'Emittente, a sua completa discrezione, nel rispetto di quanto previsto in questo documento, o qualsiasi altro od ulteriore tipo di *warrant* o di *certificate*, inclusi Titoli ibridi (**Titoli Ibridi**) dove il Sottostante di Riferimento può essere costituito da una qualsiasi combinazione di tali indici, azioni, GDR, ADR, interessi in strumenti negoziati in borsa, strumenti di debito, valute, *commodities*, indici inflazione, quote o unità di fondi, contratti *futures*, il credito di soggetti terzi specifici o altre classi o tipi di attività.

I *Certificates* OET sono emessi in base a condizioni separate descritte nel "*Regolamento degli Open End Turbo Certificates*" come modificato e/o integrato dalle Condizioni Definitive applicabili, il cui modello è riportato di seguito nella rubrica "*Condizioni Definitive degli Open End Turbo Certificates*".

Regolamento

I Titoli possono essere regolati per contanti o mediante consegna fisica.

In alcune circostanze l'Emittente o il Titolare hanno la facoltà di modificare la modalità di regolamento dei Titoli.

Titoli legati ad Indici

I pagamenti relativi ai Titoli legati ad Indici saranno calcolati con riferimento ad uno o più indici come illustrato nelle Condizioni Definitive applicabili. I Titoli legati ad Indici possono essere legati a un indice o indici che comprendono, tra l'altro, azioni di riferimento, obbligazioni, beni immobiliari e/o altre attività di riferimento (inclusi uno o più indici *custom* creati, calcolati e/o sponsorizzati da BNPP e/o dalle sue affiliate).

I Titoli legati ad Indici possono essere annullati o liquidati anticipatamente ovvero soggetti a rettifica qualora l'Indice sia modificato o cancellato e non vi sia un indice sostitutivo ritenuto accettabile dall'Agente di Calcolo, qualora lo *sponsor* dell'Indice ometta di calcolare e annunciare l'Indice,

oppure qualora si verifichino determinati eventi (quali illegalità (*illegality*), turbative o incrementi di costo) con riferimento agli accordi di copertura stipulati dall'Emittente o dalle sue società collegate.

In caso di eventi di turbativa che incidano sulla valutazione dell'Indice, la valutazione in questione sarà posticipata e potrà essere effettuata dall'Agente di Calcolo. Potranno essere posticipati anche i pagamenti.

Titoli legati ad Azioni

I pagamenti relativi ai Titoli legati ad Azioni saranno calcolati facendo riferimento ad una o più azioni, ADR e/o GDR (insieme qui denominati "**Azioni**" ed ognuna un'"**Azione**") come indicato nelle Condizioni Definitive applicabili. I Titoli legati ad Azioni possono anche prevedere il regolamento mediante la consegna fisica di un bene (*Entitlement*).

I Titoli legati ad Azioni possono essere annullati o liquidati anticipatamente o soggetti a rettifica (compreso l'adeguamento della valutazione e, in certi casi, la sostituzione delle azioni) qualora si verifichino determinati eventi societari (come quelli che incidono sul valore dell'Azione (compresi i frazionamenti o raggruppamenti di Azioni, o in caso di GDR e ADR, e Azioni Sottostanti, le distribuzioni straordinarie di dividendi, ridenominazione dell'Azione e i *capital calls*); la revoca dalla quotazione (*delisting*) di una Azione o di una Azione Sottostante; l'insolvenza, la fusione o la nazionalizzazione dell'emittente dell'Azione o di una Azione Sottostante; oppure un'offerta pubblica di acquisto o ridenominazione di una Azione o di una Azione Sottostante, oppure qualora si verifichino determinati eventi (quali, illegalità (*illegality*), turbative o incrementi di costo) che incidano sugli accordi di copertura stipulati dall'Emittente o dalle sue società collegate, oppure qualora venga depositata istanza di fallimento nei confronti dell'emittente delle Azioni o delle Azioni Sottostanti.

Titoli legati a ETI

I pagamenti relativi ai Titoli legati a ETI saranno calcolati facendo riferimento agli interessi in uno o più strumenti negoziati in borsa come indicato nelle Condizioni Definitive applicabili. I Titoli legati a ETI possono anche prevedere il regolamento mediante consegna fisica di un bene (*Entitlement*).

Titoli legati a Strumenti di Debito

I pagamenti relativi ai Titoli legati a Strumenti di Debito saranno calcolati facendo riferimento ad uno o più strumenti di debito come indicato nelle Condizioni Definitive applicabili. I Titoli legati a Strumenti di Debito possono anche prevedere il regolamento mediante la consegna fisica di un bene(*Entitlement*).

Titoli legati a *Commodity*

I pagamenti relativi ai Titoli legati a *Commodity* saranno calcolati facendo riferimento ad una o più *commodities* e/o indici su *commodity* come indicato nelle Condizioni Definitive applicabili. I Titoli legati a *Commodity* possono anche prevedere il regolamento mediante la consegna fisica di un bene(*Entitlement*).

I Titoli legati a *Commodity* possono essere soggetti a rettifica (compreso l'adeguamento della valutazione) qualora si verifichino determinati eventi che riguardano la *Commodity* o l'Indice su *Commodity* (come ad esempio

la turbativa della negoziazione, la mancata o ritardata pubblicazione del prezzo di riferimento e, in certi casi, il cambiamento della formula di calcolo del prezzo di riferimento; oppure la variazione del contenuto della *Commodity* o dell'Indice su *Commodity*) oppure un evento di turbativa per un componente dell'indice.

Titoli legati all'Indice Inflazione

I pagamenti in relazione ai Titoli legati all'Indice Inflazione saranno calcolati facendo riferimento ad uno o più indici inflazione come indicato nelle Condizioni Definitive applicabili.

Titoli legati a Valuta

I pagamenti relativi ai Titoli legati a Valuta saranno calcolati facendo riferimento ad uno o più tassi di cambio tra valute come indicato nelle Condizioni Definitive applicabili.

Titoli Legati a Fondi

I pagamenti in relazione ai Titoli Legati a Fondi saranno calcolati facendo riferimento a quote, interessi o azioni di un singolo fondo o panieri di fondi alle condizioni indicate nelle Condizioni Definitive applicabili. I Titoli Legati a Fondi possono anche prevedere il regolamento mediante la consegna fisica di un bene (*Entitlement*).

I Titoli Legati a Fondi possono essere annullati o liquidati anticipatamente o soggetti a rettifica (compreso l'adeguamento della valutazione e la sostituzione dei fondi) qualora si verifichino determinati eventi societari che interessano il fondo come il fallimento (o evento analogo); contenzioso sfavorevole o eventi di natura regolamentare che riguardano il fondo; sospensioni delle sottoscrizioni o dei rimborsi delle quote del fondo; modifiche del valore netto degli *assets* del fondo, modifiche agli obiettivi di investimento del fondo o variazione della natura o della amministrazione del fondo), qualora si verifichino per il fondo taluni eventi di turbativa della valutazione o del regolamento, oppure qualora si verifichino determinati eventi (quali, illegalità (*illegality*)), turbative o incrementi di costo) in relazione agli accordi di copertura stipulati dall'Emittente o dalle sue società collegate.

Titoli legati a contratti *futures*

I pagamenti reletivi ai Titoli legati a contratti *futires* saranno calcolati facendo riferimento a uno o più contratti *futures* come indicato nelle rilevanti Condizioni Definitive.

Titoli legati al Credito

I Titoli, in relazione ai quali i pagamenti sono legati all'affidabilità creditizia di uno o più specifici soggetti, saranno emessi secondo i termini specificati nelle Condizioni Definitive applicabili.

Nel caso in cui le Condizioni per il Regolamento siano soddisfatte, ogni Titolo sarà liquidato con il pagamento (i) dell'Ammontare di Regolamento d'Asta se il Regolamento d'Asta è il Metodo di Regolamento applicabile (salvo che si verifichi un Evento di Regolamento *Fallback*, nel qual caso si applicherà il Metodo di Regolamento *Fallback*) (ii) dell'Ammontare di Regolamento in Contanti, qualora il Regolamento in Contanti sia il Metodo di Regolamento applicabile, ovvero (iii) mediante la Consegna delle Obbligazioni da Consegnare specificate nell'Avviso di Regolamento mediante Consegna Fisica (*Notice of Physical Settlement*) e il Pagamento di qualsiasi Ammontare di Arrotondamento nel caso di Modifiche del

	Regolamento mediante Consegna Fisica , qualora si applichi la Consegna Fisica come Metodo di Regolamento applicabile, come meglio descritto nella rubrica "Regolamento dei Titoli".
	Taluni *Certificates* possono essere legati all'affidabilità creditizia di un istituto finanziario presso il quale una società partecipata dall'Emittente ha un conto di deposito. Ove le Condizioni per il Regolamento siano soddisfatte per quei *Certificates*, ciascun *Certificate* sarà liquidato al proprio Importo di Regolamento legato ad un Evento di Credito.
***Certificates* OET**	I *Certificates* OET saranno liquidati alla data stabilita dall'Emittente a sua completa discrezione, nel rispetto e ai sensi delle Condizioni esposte nel "*Regolamento degli Open End Turbo Certificates*" e delle Condizioni Definitive applicabili, il cui modello è riportato di seguito nella rubrica "*Condizioni Definitive degli Open End Turbo Certificates*".
	Il pagamento dei *Certificates* OET sarà calcolato con riferimento ad una azione, quota di fondo, indice, valuta, contratto *futures* o *commodity*, come indicato nelle Condizioni Definitive applicabili.
	I *Certificates*OET possono essere liquidati in anticipo o subire rettifiche in caso di eventi (come quelli che incidono su certe azioni, quote di fondo, indici, valute, contratti *futures* o *commodity*) che riguardano il sottostante.
	I *Certificates*OET sono regolati esclusivamente dalla legge francese.
Titoli Ibridi	I pagamenti relativi ai Titoli Ibridi saranno calcolati con riferimento ad una qualsiasi combinazione di Sottostanti di Riferimento come specificato nelle Condizioni Definitive applicabili.
Warrants	I *Warrants* possono essere di tipo Americano (*American Style Warrants*) o di tipo Europeo (*European Style Warrants*). Gli *American Style Warrants* possono essere esercitati secondo le modalità previste dal Regolamento dei Titoli in qualsiasi Giorno Lavorativo di Esercizio durante il Periodo di Esercizio. Gli *European Style Warrants* possono essere esercitati secondo le modalità previste dal Regolamento dei Titoli alla Data di Esercizio. I *Warrants* Regolati per Contanti possono essere esercitati automaticamente.
Certificates	I *Certificates* (diversi dai *Certificates* Esercitabili) saranno liquidati alla Data di Liquidazione, secondo quanto previsto nel Regolamento dei Titoli, e nelle successive modificazioni e integrazioni di cui alle Condizioni Definitive applicabili. I *Certificates* Esercitabili saranno esercitati automaticamente alla Data di Esercizio.
Interessi	I *Certificates* possono pagare interessi in base a un tasso di interesse fisso o variabile oppure in riferimento alla *performance* di uno o più Sottostanti di Riferimento.
Regolamento mendiante Consegna Fisica	Il Portatore, al fine di ricevere i beni dovuti (*Entitlement*), deve consegnare, nel caso di *Certificates*, l'avviso di trasferimento dei beni regolarmente compilato alla data di *cut-off* specificata e, per quanto riguarda tutti i Titoli, dovrà pagare tutte le Tasse e Spese e, con riferimento ai *Warrants*, il relativo Prezzo di Esercizio.

	Qualora in occasione del regolamento intervengano determinati eventi o circostanze, la data di regolamento potrà essere posticipata e in taluni casi l'Emittente avrà la facoltà di versare una somma in contanti invece che procedere alla consegna fisica.
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 altre obbligazioni non subordinate e non assistite da garanzie reali (*unsecured*), salvo le eccezioni di volta in volta obbligatorie ai sensi della legge francese.
Tasse e Spese	I Portatori dei Titoli sono tenuti a pagare tutte le tasse e le spese specificate in relazione ai Titoli stessi. L'Emittente provvederà a dedurre dalle somme da pagare oppure dai beni da consegnare ai Portatori, tutte le Spese Correlate non ancora dedotte in precedenza dagli ammontati pagati o dai beni consegnati ai Portatori. Gli investitori devono esaminare attentamente la sezione "Regime Fiscale".
Quotazione e Ammissione alla Negoziazione	I Titoli di una particolare Serie possono essere quotati e ammessi alla negoziazione presso Euronext Amsterdam, presso la Borsa Italiana, presso il Luxembourg Stock Exchange, sul Mercato EuroMTF, Euronext Parigi, Euronext Bruxelles o sulle borse diverse o aggiuntive specificate nelle Condizioni Definitive applicabili, e i riferimenti alla quotazione saranno interpretati di conseguenza. Le Condizioni Definitive applicabili menzioneranno, ove rilevanti, le informazioni relative al segmento di mercato della borsa valori presso il quale i Titoli dovranno essere quotati.
Restrizioni alla Vendita	Esistono restrizioni alla vendita dei Titoli nonché alla distribuzione del materiale di offerta. Si veda di seguito la voce "*Offerta e Vendita*".
Legge Applicabile	I Titoli, ogni relativa Garanzia e (esclusivamente in caso di Titoli di Legge Inglese) qualsiasi obbligo di natura non contrattuale che può sorgere da o in relazione con questa, saranno disciplinati dalla legge inglese o francese, come specificato nelle Condizioni Definitive applicabili, eccetto i Certificati *Open End* e i Certificati OET che saranno regolati esclusivamente dalla legge francese.