

AVVISO n.16383

27 Settembre 2011

**SeDeX – INV.
CERTIFICATES**

Mittente del comunicato : Borsa Italiana
Societa' oggetto dell'Avviso : CREDIT SUISSE INTERNATIONAL
Oggetto : Inizio negoziazione 'Investment Certificates – Classe B' 'CREDIT SUISSE INTERNATIONAL'

Testo del comunicato

Si veda allegato.

Disposizioni della Borsa

Strumenti finanziari: **Callable Return index-linked Securities due 2013 linked to a basket of equity indices**

Emittente: CREDIT SUISSE INTERNATIONAL

Rating Emittente:	Società di rating	Long term	Data report
	Moody's	Aa1	06/01/2011
	Standard & Poor's	A+	04/07/2011
	Fitch	AA-	15/12/2010

Oggetto: **INIZIO NEGOZIAZIONI IN BORSA**

Data di inizio negoziazioni: **28/09/2011**

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: Banca Finnat Euramerica S.p.A.
Member ID Specialist: MM0560

CARATTERISTICHE SALIENTI DEI TITOLI OGGETTO DI QUOTAZIONE

Callable Return index-linked Securities due 2013 linked to a basket of equity indices

Tipo di liquidazione: monetaria

Modalità di esercizio: europeo

Modalità di negoziazione:

per gli Strumenti Finanziari la data di negoziazione ex-diritto al pagamento dell'importo periodico decorre dal secondo giorno di mercato aperto antecedente le rispettive record date.

DISPOSIZIONI DELLA BORSA ITALIANA

Dal giorno 28 settembre 2011, gli Strumenti Finanziari (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	Tipologia	Data Scadenza	Valore Nominale	Quantità	Lotto Negoziazione	EMS	Partecipazione Up %
1	XS0650146292	Z46292	U2A0	Z46292EUSPNHOP	CSIEUSPNHCCPOPP100%E050913	S&P 500/EUROSTOXX50/Nikkei 225/Hang Seng China Enterprises	Inv	05/09/13	1000	2500	1	3	100

Num. Serie	Bonus/Strike %	Rebate
1	50	50

NOTICE TO THE HOLDERS

Callable Return index-linked Securities due 2013 linked to a basket of equity indices (the "Securities")

ISIN Code: **XS0650146292**

This notice is dated 26 September 2011 and should be read with the Final Terms dated 22 July 2011 (Amended and Restated on 22 August 2011) in respect of the Certificates. Any information not updated or amended herein should be regarded as unchanged.

Further to the public offer in Italy by Credit Suisse International of Up to 30,000 Securities relating to a **basket of equity indices** referred to here above; the total number of Certificates issued is 2,500 (i.e. EUR 2,500,000 at an Issue Price of EUR 1,000 per Certificate).

The holders are also informed on page 2 of the Final Terms, the following provision should now be read as follows:

- Knock-in Barrier is 50% of the Strike Price:

▪ S&P 500 Index	602.05
▪ EURO STOXX 50 Index	1,048.05
▪ Nikkei 225 Index	4,360.62
▪ Hang Seng China Enterprise Index	4,933.49

The holders are also informed on page 3 and 4 of the Final Terms that the Strike Price / Initial Fixing (Strike Set Date 19th September 2011) is as follow:

- | | |
|------------------------------------|----------|
| ▪ S&P 500 Index | 1,204.09 |
| ▪ EURO STOXX 50 Index | 2,096.10 |
| ▪ Nikkei 225 Index | 8,721.24 |
| ▪ Hang Seng China Enterprise Index | 9,866.97 |


The holders are also informed on page 7 of the Final Terms that for the purposes of Borsa Italiana S.p.A., the record date will be the business day prior to the Payout Date₁ (as defined in the Final Terms) (the "Record Date"):

- 25 September 2012

Application has been made to list the Certificates on the Italian Stock Exchange and to admit the Certificates for trading on the "Electronic Securitised Derivatives Market" (a regulated market for the purpose of the Markets in financial instruments Directive 2004/39/CE) organized and managed by Borsa Italiana S.p.A.

Credit Suisse International,




_____ ENRICA PANFILI

**Final Terms dated 22 July 2011
Amended and Restated on 22 August 2011**

Credit Suisse International

(registered as an unlimited liability company in England and Wales under No. 2500199)

Callable Return index-linked Securities due 2013
linked to a basket of equity indices (the “**Securities**”)

Series ART0659

issued pursuant to the Principal Protected Securities and Non-Principal Protected Securities for Yield
Options and Return Options Base Prospectus

as part of the **Structured Products Programme**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Base Prospectus dated 7 July 2011 as supplemented on 19 August 2011 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (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 as so supplemented. Full information on 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 as so supplemented. Copies of the Base Prospectus and each supplemental Prospectus may be obtained from the registered office of the Issuer and the offices of the Distributors and Agents specified herein.

These Final Terms comprise the final terms for the issue and public offer in Italy and admission to trading on the electronic “Securitized Derivatives Market” (“**SeDeX**”) organised and managed by Borsa Italiana S.p.A. of the Securities.

The terms and conditions applicable to the Securities are (1) the General Terms and Conditions of Certificates and the Asset Terms for Equity Index-linked Securities set out in the Base Prospectus dated 1 July 2011 relating to the Issuer’s Structured Products Programme and (2) the Terms and Conditions set out in the Base Prospectus dated 7 July 2011 relating to Principal Protected Securities and Non-Principal Protected Securities for Yield Options and Return Options (which incorporates by reference the provisions referred to in (1) above), as completed by these Final Terms. References to such Base Prospectuses are to them as supplemented at the date of these Final Terms.

1	Series Number:	ART0659
2	Tranche Number:	Not Applicable
3	Applicable General Terms and Conditions:	Certificates
4	Type of Security:	Callable Return Securities
5	Specified Currency or Currencies:	euro (“ EUR ”)
6	Aggregate Nominal Amount/Number of Securities:	Up to 30,000 Securities
	(i) Series:	1
	(ii) Tranche:	Not Applicable
7	Issue Price:	EUR 1,000 per Security

8	Specified Denomination/Nominal Amount:	EUR 1,000
9	Issue Date:	5 Currency Business Days after the Initial Setting Date (expected to be 26 September 2011)
10	Maturity Date:	15 Currency Business Days after the Final Fixing Date (expected to be 26 September 2013)
11	Interest Basis:	Not Applicable
12	Premium Basis:	Not Applicable
13	Payout Basis:	Applicable (further particulars below)
14	Redemption/Payment Basis:	Equity Index-linked
15	Put/Call Options:	Call (further particulars specified below)

PROVISIONS RELATING TO INTEREST, PREMIUM AND PAYOUT

16	Fixed Rate Provisions	Not Applicable
17	Floating Rate Provisions	Not Applicable
18	Premium Provisions	Not Applicable
19	Payout Provisions	Applicable
	(i) Payout:	<p>(a) If on Payout Observation Date₁, the Level (with regard to the Valuation Time) of the Worst Performing Underlying Asset is at or above the Payout Threshold of the Strike Price of the relevant Underlying Asset, the Payout per Security will be 5.00 per cent. of the Nominal Amount and payable on Payout Date₁, otherwise the Payout will be zero.</p> <p>(b) If on Payout Observation Date₂, the Level (with regard to the Valuation Time) of the Worst Performing Underlying Asset is at or above the Payout Threshold of the Strike Price of the relevant Underlying Asset, the Payout per Security will be (A) 5.00 per cent. of the Nominal Amount plus (B) an amount (subject to the Payout Floor) equal to the product of the (i) Nominal Amount, (ii) Payout Call Performance and (iii) Participation and payable on Payout Date₂, otherwise the Payout will be zero.</p>
	(ii) Payout Cap:	Not Applicable
	(iii) Payout Floor:	0 per cent.
	(iv) Payout Dates:	As specified in the table below
	(v) Payout Threshold:	50 per cent.
	(vi) Payout Observation Date(s):	As specified in the table below
	(vii) Payout Observation Period:	Not Applicable

Payout Observation Date_n

Payout Date_n

1.	5 September 2012	15 Currency Business Days after Payout Observation Date ₁ (expected to be 26 September 2012)
2.	5 September 2013	15 Currency Business Days after Payout Observation Date ₂ (expected to be 26 September 2013)
(viii)	Memory Payout:	Not Applicable
(ix)	Payout Call:	Applicable
	- Payout Strike:	100 per cent.
	- Participation:	100 per cent.
	- Minimum Participation:	Not Applicable
(x)	Payout Put:	Not Applicable
(xi)	Payout Fixing Price:	The Level (with regard to the Valuation Time) of the relevant Underlying Asset on the relevant Payout Observation Date.
(xii)	Knock-in Payout Cut Off:	Not Applicable

PROVISIONS RELATING TO REDEMPTION

20	Redemption Amount:	
	Redemption Option:	Redemption Option 3 applicable
	FX Adjusted:	Not Applicable
21	Redemption Amount Percentage:	100 per cent. of the Nominal Amount per Security (which shall be equal to the Specified Denomination)
22	Redemption Amount Cap:	Not Applicable
23	Redemption Amount Floor:	Not Applicable
24	Initial Averaging Dates:	Not Applicable
25	Initial Setting Date:	19 September 2011
26	Final Averaging Dates:	Not Applicable
27	Final Fixing Date:	5 September 2013
28	Final Price:	The Level (with regard to the Valuation Time) of the relevant Underlying Asset on the Final Fixing Date.
29	Strike Price:	The Level (with regard to the Valuation Time) of the relevant Underlying Asset on the Initial Setting Date.
30	Knock-in Provisions	Applicable
		Knock-in Amount calculation: Worst Performing Underlying Asset
	Knock-in Event:	The Level (with regard to the Valuation Time) of the Worst Performing Underlying Asset in respect of the Knock-in Observation Date is below the Knock-in Barrier.

	Knock-in Barrier:	50 per cent.
	Knock-in Barrier (2):	Not Applicable
	Knock-in Observation Date(s):	Final Fixing Date
	Knock-in Observation Period:	Not Applicable
	Knock-in Final Price:	Not Applicable
31	Trigger Redemption	Not Applicable
32	Physical Settlement Provisions:	Not Applicable
33	Details relating to Instalment Securities:	Not Applicable
34	Put Option:	Not Applicable
35	Call Option:	Applicable
	(i) Optional Redemption Date(s):	15 Currency Business Days after 5 September 2012 (expected to be 26 September 2012)
	(ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	100 per cent. of the Nominal Amount
	(iii) If redeemable in part:	Not Applicable
	(iv) Description of any other Issuer's option:	Not Applicable
	(v) Notice period (if other than as set out in the Conditions):	The Issuer will give irrevocable notice to the Securityholders on 5 September 2012 or, if such date is not a Business Day, the first Business Day following such date.
36	Settlement Currency: (<i>currency in which payment will be made</i>)	The Specified Currency

UNDERLYING ASSETS

37	List of Underlying Assets		
	i Underlying Asset _i	Weighting _i	Composite _i
	1 S&P 500 Index	25 per cent.	Not Applicable
	2 Euro STOXX 50 Index	25 per cent.	Not Applicable
	3 Nikkei 225 Index	25 per cent.	Not Applicable
	4 Hang Seng China Enterprise Index	25 per cent.	Not Applicable
38	Equity-linked Securities	Not Applicable	
39	Equity Index-linked Securities	Applicable	
	(i) Index:	S&P 500 Index	
	Bloomberg code:	SPX <Index>	
	Information Source:	www.standardandpoors.com	
	Required Exchanges:	Not Applicable	
	Related Exchange:	All Exchanges	
	Disruption Threshold:	20 per cent.	
	Jurisdictional Event:	Not Applicable	

	Jurisdictional Event Jurisdiction(s):	Not Applicable
	Additional Disruption Events:	
	Change in Law:	Applicable
	Hedging Disruption:	Not Applicable
	Increased Cost of Hedging:	Not Applicable
(ii)	Index:	Euro STOXX 50 Index
	Bloomberg code:	SX5E <Index>
	Information Source:	www.stoxx.com
	Required Exchanges:	Not Applicable
	Related Exchange:	All Exchanges
	Disruption Threshold:	20 per cent.
	Jurisdictional Event:	Not Applicable
	Jurisdictional Event Jurisdiction(s):	Not Applicable
	Additional Disruption Events:	
	Change in Law:	Applicable
	Hedging Disruption:	Not Applicable
	Increased Cost of Hedging:	Not Applicable
(iii)	Index:	Nikkei 225 Index
	Bloomberg code:	NKY <Index>
	Information Source:	www.nni.nikkei.co.jp
	Required Exchanges:	Not Applicable
	Related Exchange:	All Exchanges
	Disruption Threshold:	20 per cent.
	Jurisdictional Event:	Not Applicable
	Jurisdictional Event Jurisdiction(s):	Not Applicable
	Additional Disruption Events:	
	Change in Law:	Applicable
	Hedging Disruption:	Not Applicable
	Increased Cost of Hedging:	Not Applicable
(iv)	Index:	Hang Seng China Enterprise Index
	Bloomberg code:	HSCEI <Index>
	Information Source:	www.hangseng.com
	Required Exchanges:	Not Applicable
	Related Exchange:	All Exchanges
	Disruption Threshold:	20 per cent.
	Jurisdictional Event:	Not Applicable
	Jurisdictional Event Jurisdiction(s):	Not Applicable
	Additional Disruption Events:	
	Change in Law:	Applicable

	Hedging Disruption:	Not Applicable
	Increased Cost of Hedging:	Not Applicable
40	Commodity-linked Securities	Not Applicable
41	Commodity Index-linked Securities	Not Applicable
42	Fund-linked Securities	Not Applicable
43	FX-linked Securities	Not Applicable
44	FX Index-linked Securities	Not Applicable
45	Inflation Index-linked Securities	Not Applicable
46	Interest Rate Index-linked Securities	Not Applicable
47	Cash Index-linked Securities	Not Applicable
48	Valuation Time:	As determined in accordance with the Conditions
49	Adjustments Convention: (for the purposes of Asset Term 2)	As per Asset Term 2
GENERAL PROVISIONS		
50	Form of Securities:	Not Applicable
51	Financial Centre(s):	Not Applicable
52	Minimum Transferable Number of Securities:	Not Applicable
53	Transferable Number of Securities:	1
54	Listing and Admission to Trading:	
	(i) Stock Exchange(s) to which application will initially be made to list the Securities: <i>(Application may subsequently be made to other stock exchange(s))</i>	The Issuer will apply for listing the Securities on the official list of Borsa Italiana S.p.A. and admission to trading on the electronic "Securitized Derivatives Market" (SeDeX) organised and managed by Borsa Italiana S.p.A.
	(ii) Admission to trading:	Application will be made for the Securities to be admitted to trading on the SeDeX of Borsa Italiana S.p.A. with effect from the Issue Date or shortly thereafter. However, no assurance can be given that the Securities will be admitted to trading on such market on the Issue Date or on any specific date thereafter.
55	Entities (other than stock exchanges) to which application for listing and/or approval of the Securities will be made:	Not Applicable
56	Security Codes and Ticker Symbols:	
	ISIN Code:	XS0650146292
	Common Code:	065014629
57	Clearing and Trading:	
	Clearing System(s) and any relevant	Euroclear Bank S.A./N.V. and Clearstream

	identification number(s):	Banking, S.A., Luxembourg The Securities may also be cleared through the bridge account of Monte Titoli S.p.A.
	Delivery of Securities:	Delivery against payment See further the section entitled "Details of the method and time limits for paying up and delivering the Securities" set out in Part B, item 7 below.
	Minimum Trading Lot:	Not Applicable
58	Agents:	
	Calculation Agent:	Credit Suisse International One Cabot Square London E14 4QJ
	Fiscal Agent/Principal Certificate Agent:	The Bank of New York Mellon, acting through its London Branch One Canada Square London E14 5AL
	Paying Agents:	The Bank of New York Mellon, acting through its London Branch One Canada Square London E14 5AL
	Additional Agents:	Not Applicable
59	Dealer(s):	Credit Suisse International For the avoidance of doubt, the Dealer will not act as a Distributor, as defined in Part B, item 12, and will not place any Securities to the public.
60	Additional steps that may only be taken following approval by Extraordinary Resolution:	Not Applicable
61	Specified newspaper for the purposes of notices to Securityholders:	Not Applicable
62	Additional Provisions:	The "Additional Provisions for Certificates listed on Borsa Italiana S.p.A.", as set out in the Base Prospectus dated 1 July 2011 relating to the Issuer's Structured Products Programme shall apply Renouncement Cut-Off Date: the first Currency Business Day after 5 September 2013. For the purpose of Borsa Italiana S.p.A., the expiry date (" <i>data di scadenza</i> ") will be 5 September 2013. For the purposes of Borsa Italiana S.p.A., the record date will be the business day prior to Payout Date ₁ (" Record Date "). Investors must purchase the Certificates on or before the third business day prior to the Record Date to be entitled to payment of the Payout on Payout Date ₁ .

PART B – OTHER INFORMATION

Terms and Conditions of the Offer

- 1 Offer Price:

The Offer Price will be equal to the Issue Price.
Up to 1.50 per cent. of the Offer Price is represented by a commission payable to the relevant Distributor.
See item 11 below for information on applicable fees.
- 2 Total amount of the offer. If the amount is not fixed, description of the arrangements and time for announcing to the public the definitive amount of the offer:

Up to 30,000 Securities
It is anticipated that the final amount of Securities to be issued on the Issue Date will be notified to investors by appropriate means and will be made available at the offices of the Distributors, and in any case in compliance with the applicable laws and regulations on or around the Issue Date. The final amount of Securities will depend on the outcome of the offer.
- 3 Conditions (in addition to those specified in the Base Prospectus) to which the offer is subject:

The offer of the Securities is conditional on their issue.
The Issuer reserves the right to withdraw the offer and/or to cancel the issue 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 will not be entitled to subscribe or otherwise purchase any Securities.
The offer will be subject to the above provisions. In case of withdrawal or cancellation, the relevant Distributor will inform the investors that have already applied for the Securities by appropriate means and will be made available at the offices of the Distributors, and in any case in compliance with the applicable laws and regulations and repay the Offer Price and any commission paid by any investor without interest.
- 4 The time period during which the offer will be open:

From, and including, 25 July 2011 to, and including, 19 September 2011 and, with respect to distribution of Securities made through remote communication techniques pursuant to Article 32.1 of Italian Legislative Decree 24 February 1998, n. 58, as subsequently amended (the “Financial Services Act”), from, and including, 25 July 2011 to, and including, 12 August 2011.
The Offer Period may be discontinued at any time. Notice of the early closure of the Offer Period will be

- made to investors by appropriate means and will be made available at the offices of the Distributors, and in any case in compliance with the applicable laws and regulations. (See further the section entitled "Details of the minimum and/or maximum amount of application" set out in item 6 below).
- 5 Description of the application process: Prospective investors may apply to the relevant Distributor to subscribe for Securities in accordance with the arrangements existing between the relevant Distributor and its customers relating to the subscription of securities generally. Investors will be notified by the relevant Distributor of the amount allotted. Dealings may begin on or around the Issue Date. Prospective investors will not be required to enter into any contractual arrangements directly with the Issuer in relation to the subscription for the Securities.
- 6 Details of the minimum and/or maximum amount of application: There is no minimum amount of application. Allotment of Securities will be managed and coordinated by the relevant Distributor subject to the arrangements existing between the relevant Distributor and its customers relating to the subscription of securities generally. There are no pre-identified allotment criteria. All of the Securities requested through the relevant Distributor during the Offer Period will be assigned up to the maximum amount of the offer. In the event that requests exceed the total amount of the offer, the relevant Distributor will close the Offer Period early, pursuant to item 3 above. The relevant Distributor will adopt allotment criteria that ensures equal treatment of prospective investors. All of the Securities requested through the relevant Distributor during the Offer Period will be assigned up to the maximum amount of the offer.
- 7 Details of the method and time limits for paying up and delivering the Securities: The Securities will be issued on the Issue Date against payment to the Issuer by the relevant Distributor of the aggregate subscription moneys. Each investor will be notified by the relevant Distributor of the settlement arrangements in respect of the Securities at the time of such investor's application.
- 8 Manner in and date on which results of the offer are to be made public: The results of the offer will be made available at the offices of the Distributors following the closing of the Offer Period on or around the Issue Date or the results of the offer will be available upon request from the relevant Distributor.

9	Categories of potential investors to which the Securities are offered and whether tranche(s) have been reserved for certain countries:	The Securities will be publicly offered through the relevant Distributor in the Republic of Italy to any person. Qualified Investors (<i>investitori qualificati</i> , as defined in Article 100 of the Financial Services Act and Article 34-ter, first paragraph, letter b) of CONSOB Regulation no. 11971 of 14 May 1999, as subsequently amended) may be assigned only those Securities remaining after the allocation of all the Securities requested by the public in Italy during the Offer Period.
10	Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	Applicants will be notified by the relevant Distributor of the success of their application. No dealings in the Securities may take place prior to the Issue Date.
11	Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	<p>The Issuer will pay a fee to the Distributors in connection with the Offer of up to 1.50 per cent. of the Specified Denomination per Security.</p> <p>Taxes charged in connection with the subscription, transfer, purchase or holding of Securities must be paid by the relevant investor and the Issuer will not have any obligation in relation thereto. Investors should consult their professional tax advisers to determine the tax regime applicable to their particular situation.</p> <p>For details of the tax regime applicable to subscribers in the Republic of Italy, see "Italian Taxation" below.</p>
12	Name(s) and address(es), to the extent known to the Issuer, of the placers (" Distributors ") in the various countries where the offer takes place.	<p>Credit Suisse (Italy) S.p.A Via Santa Margherita 3 Milan Italy</p> <p>Credit Suisse AG Paradeplatz 8 8070 Zurich Switzerland</p> <p>The Securities will be placed into Italy without any underwriting commitment by the Distributors and no undertaking have been made by third parties to guarantee the subscription of the Securities.</p>
13	Market-Maker:	Credit Suisse Securities (Europe) Limited
14	Market-making agreement with the Issuer:	Yes

Liability for the offer: Any offers or placements made by a Distributor will be made in its own name and not as an agent of the Issuer or the Dealer and only the relevant Distributor will be liable for the relevant offer or placement. Neither the Issuer nor the Dealer accepts any liability for the offer, placement or sale by the relevant Distributor of Securities.

Risk Factors: Investors should read the risk factors set out in the Principal Protected Securities and Non-Principal Protected Securities for Yield Options and Return Options Base Prospectus dated 7 July 2011 before making a decision to subscribe for the Securities.

Selling Restrictions: The selling restrictions applicable to the Securities are set out in the Base Prospectus dated 1 July 2011 relating to the Issuer's Structured Products Programme.

Responsibility

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

Signed on behalf of the Issuer:

By: _____

Duly authorised

By: _____

Duly authorised

Index Disclaimers

S&P 500 Index

None of the Securities is in any way sponsored, endorsed, sold or promoted by S&P. S&P makes no representation or warranty, express or implied, to the Securityholders or any member of the public regarding the advisability of investing in securities generally or in any Securities or the ability of the Index to track general stock market performance. S&P's only relationship to the Issuer is the licensing of certain trademarks and the tradenames of S&P and of the Index which is determined, composed and calculated by S&P without regard to the Issuer or any Securities. S&P has no obligation to take the needs of the Issuer or the Securityholders into consideration in determining, composing or calculating the Index. S&P is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the Securities to be issued, sold, purchased, written or entered into by the Issuer. S&P has no obligation or liability in connection with the administration or marketing of the Securities.

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Hang Seng China Enterprises Index

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NIKKEI 225 Index

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EURO STOXX 50 Index

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- Have any responsibility or liability for or make any decisions about the timing, amount or pricing of the Securities.
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- Consider the needs of the Securities or the owners of the Securities in determining, composing or calculating the Index or have any obligation to do so.

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- **STOXX and its Licensors do not make any warranty, express or implied and disclaim any and all warranty about:**
- **The results to be obtained by the Securities, the owner of the Securities or any other person in connection with the use of the Index and the data included in the Index;**
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The licensing agreement between the Issuer and STOXX is solely for their benefit and not for the benefit of the owners of the Securities or any other third parties.

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 (the "TUIR") and Legislative Decree No. 461 of 21 November 1997 (the "Decree 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, pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities) (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 Decree 1997, as a subsequently amended). 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 1997) 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 Securityholder which is an open-ended or closed-ended investment fund (subject to the regime provide by Law No. 77 of 23 March 1983) (Fund) or a SICAV will be included in the result of the relevant portfolio accrued in the period and will not be subject neither to substitute tax nor to any other income tax in the hands of the Fund or the SICAV.

Any capital gains realised by a Securityholder which is an Italian pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. substitute tax.

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

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.

Atypical securities

In accordance with a different interpretation of current tax law, it is possible that the 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.

The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Securities.

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; and (ii) private deeds are subject to registration tax only in case of use or voluntary registration.

EU Savings Directive

Under EC Council Directive 2003/48/EC ("EU Savings Directive") on the taxation of savings income, Member States 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 Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate 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 adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, 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.

GENERAL TERMS AND CONDITIONS OF CERTIFICATES

The following is the text of the general terms and conditions that, together with any applicable Asset Terms and subject to the provisions of the relevant Final Terms, shall be applicable to Securities for which the relevant General Terms and Conditions are specified in the Final Terms as being those of "Certificates". References to Securities are to the Securities of one series, not to all Securities that may be issued under the Programme. Definitions used in these General Terms and Conditions shall not apply in relation to any of the other General Terms and Conditions contained in this Base Prospectus.

In relation to the Securities, the Issuers have executed an agency agreement as amended, restated or supplemented from time to time, the "**Agency Agreement**"), with The Bank of New York Mellon, acting through its London Branch, as issuing agent and principal certificate agent (the "**Principal Certificate Agent**", which expression shall include, wherever the context so admits, any successor principal certificate agent). The term "**Certificate Agent**" shall include the Principal Certificate Agent and any substitute or additional certificate agents). The Securityholders (as defined in General Condition 1) are deemed to have notice of all the provisions of the Agency Agreement applicable to them. CS has executed a general deed of covenant by deed poll dated 1 July 2011 (the "**CS Deed of Covenant**") in favour of Securityholders from time to time in respect of Securities issued by CS from time to time under which it has agreed to comply with the terms of all such Securities. CSi has executed a general deed of covenant by deed poll dated 1 July 2011 (the "**CSi Deed of Covenant**") in favour of Securityholders from time to time in respect of Securities issued by CSi from time to time under which it has agreed to comply with the terms of all such Securities. Copies of the Agency Agreement (including the form of global certificate referred to below), the CS Deed of Covenant and the CSi Deed of Covenant are, and, so long as any Security remains outstanding, will be available for inspection during normal business hours at the specified offices of the Certificate Agents.

References to the "**Central Clearing System(s)**" are to Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") or other Clearing System specified in the Final Terms with or on behalf of which the global certificate (if any) is deposited; references to "**National Clearing System(s)**" are to other Clearing Systems (if any) as may be specified in the relevant Final Terms or notified to Securityholders in accordance with General Condition 8; and references to a "**Clearing System**" shall be to a Central Clearing System or a National Clearing System, as the case may be, and shall include its respective successors and assigns. References to Monte Titoli are to Monte Titoli S.p.A.

The Securities of any series are subject to these General Conditions, as modified and/or supplemented by the relevant Asset Terms and the relevant final terms (the "**Final Terms**") relating to the relevant Securities (together, the "**Conditions**"). The relevant Securities will (unless otherwise specified) be represented by a global certificate (the "**Global Security**").

Expressions used herein and not defined shall have the meaning given to them in the relevant Final Terms. In the event of any inconsistency between the General Conditions or the Asset Terms and the Final Terms, the Final Terms will prevail.

Except in relation to General Conditions 12 and 15 references herein to the "Issuer" shall be to CS acting through its London Branch or Nassau Branch (each a "**Branch**") or CSi, as the case may be, (as specified in the Final Terms). In relation to General Conditions 12 and 15, references to "Issuer" shall be to CS or CSi, as the case may be, (as specified in the Final Terms).

Where determinations or calculations are required to be made by the Issuer, the Issuer may delegate the performance of such determinations and/or calculations to a Calculation Agent on its behalf. In such event, the relevant references to the "Issuer" shall be construed as references to such Calculation Agent.

1 Form, Title and Transfer

(a) Form

The Securities shall be represented at all times by the Global Security deposited outside the United Kingdom with, or with a common depository for, the Central Clearing System(s). Securities in definitive form shall not be issued.

(b) Title

Each person for the time being appearing in the books of the relevant Clearing System(s) as the holder of a Security (other than one Clearing System to the extent that it appears on the books of another Clearing System) or in the case of Securities held through Monte Titoli, each person whose name appears as being entitled to a Security in the books of a financial intermediary (an Italian bank, broker or agent authorised to maintain securities accounts on behalf of its clients) (an “**Account Holder**”) who is entitled to such Security according to the books of Monte Titoli, shall be treated for all purposes by the Issuer, the Certificate Agents and the relevant Clearing System(s) as the holder thereof, notwithstanding any notice to the contrary (each such person being referred to herein as a “**Securityholder**”).

(c) Transfer

Transfers of Securities may be effected only in integral multiples of the Transferable Number of Securities, subject to a minimum of any Minimum Trading Lot specified in the Final Terms and (i) in the case of Securities held through Monte Titoli, through the relevant Account Holder, or (ii) in the case of Securities held through another Clearing System, through such Clearing System. Title will pass upon registration of the transfer in the books of (i) in the case of Securities held through Monte Titoli, the relevant Account Holder, or (ii) in the case of Securities held in another Clearing System, such Clearing System.

2 Status

The Securities are unsubordinated and unsecured obligations of the Issuer and rank *pari passu* and ratably without any preference among themselves and equally with all other unsubordinated and unsecured obligations of the Issuer from time to time outstanding.

3 Redemption and Payment

(a) Redemption Date

Unless previously redeemed or purchased and cancelled, the Issuer will redeem the Securities on the Maturity Date at their Redemption Amount. The Redemption Amount will be calculated as set out in the Final Terms.

(b) Interim payments

In addition, if so specified in the Final Terms, the Issuer will pay or cause to be paid on such dates as may be specified therein such amounts as may be specified or determined in accordance with the provisions of the Final Terms (“**Interim Payments**”).

(c) Redemption at the Option of the Issuer

If “Call Option” is specified in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days’ irrevocable notice to the Securityholders (or such other notice period as may be specified in the Final Terms) redeem all or, if so provided, some, of the Securities on any Optional Redemption Date specified in the Final Terms at their Optional Redemption Amount specified in the Final Terms. Any such redemption must relate to a number of Securities at least equal to the minimum number to be redeemed and no greater than the maximum number to be redeemed specified in the Final Terms. All Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this General Condition.

In the case of a partial redemption, the Securities to be redeemed shall be selected in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange, Clearing System and other relevant requirements.

(d) Redemption at the Option of Securityholders

If “Put Option” is specified in the Final Terms, the Issuer shall, at the option of the holder of any such Security, upon the holder of such Security giving not less than 15 nor more than 30 days’ notice (substantially in the form set out in the Agency Agreement or in such other form as the Issuer and the Principal Certificate Agent may approve) to the Issuer (or such other notice period as may be specified in the Final Terms) redeem such Security on the Optional Redemption Date(s) specified in the Final Terms at its Optional Redemption Amount specified in the Final Terms. No such option may be exercised if the Issuer has given notice of redemption of the Securities.

(e) Payments

Payments in respect of Securities will be made to the relevant Central Clearing System(s) for credit to the Securityholders’ accounts. Payment by the Issuer of any amount payable in respect of a Security will be subject in all cases to all applicable fiscal and other laws, regulations and directives and the rules and procedures of the relevant Clearing System(s). Neither the Issuer nor any Certificate Agent shall under any circumstances be liable for any acts or defaults of any Clearing System in the performance of its duties in relation to the Securities.

(f) Non-Currency Business Days

If any date for payment in respect of any Security is not a Currency Business Day, Securityholders shall not be entitled to payment until the next following Currency Business Day or to any interest or other sum in respect of such postponed payment.

4 Illegality

If the Issuer shall have determined in good faith that the performance of any of its obligations under the Securities or that any arrangement made to hedge its obligations under the Securities shall have or will become, in whole or in part, unlawful, illegal or otherwise contrary to any present or future law, rule, regulation, judgment, order, directive, policy or request of any governmental, administrative, legislative or judicial authority or power (but, if not having the force of law, only if compliance with it is in accordance with the general practice of persons to whom it is intended to apply), or any change in the interpretation thereof (an “**Illegality**”), then the Issuer may, if and to the extent permitted by applicable law, either (a) make such adjustment to the Conditions as may be permitted by any applicable Asset Terms or (b) having given not more than 30 nor less than 15 days’ notice to Securityholders in accordance with General Condition 8, redeem the Securities at an amount determined by the Issuer as representing their fair market value on such day as the Issuer shall select in its sole and absolute discretion. In the case of (b) no payment of the Redemption Amount shall be made after such notice has been given.

5 Purchases by the Issuer

The Issuer and any subsidiary or affiliate of the Issuer may at any time purchase Securities at any price in the open market or by tender or private treaty. Any Securities so purchased may be held or resold or surrendered for cancellation.

6 Certificate Agents

The Certificate Agents initially appointed by the Issuer and their respective specified offices are specified in the Final Terms. The Certificate Agents act solely as agents of the Issuer and neither the Issuer nor any of the Certificate Agents assumes any obligation or relationship of agency or trust or of a fiduciary nature for or with any Securityholder. The Issuer may at any time vary or terminate the appointment of any of the Certificate Agents and appoint additional or other Certificate Agents, provided that (a) so long

as any Security is outstanding, there shall be a Principal Certificate Agent and (b) so long as the Securities are listed on any stock exchange and the rules of that stock exchange or the relevant competent authority so require there shall be a Certificate Agent with a specified office in the city in which such stock exchange is located. Notice of any termination of appointment and of any changes in the specified office of any of the Certificate Agents shall be given to Securityholders in accordance with the Conditions.

7 Further Issues

The Issuer may from time to time without the consent of the Securityholders create and issue further Securities, so as to form a single issue with the Securities.

8 Notices

Notices to the holders of Securities which are listed on a stock exchange shall be given in such manner as the rules of such exchange or the relevant authority may require (in the case of the Luxembourg Stock Exchange by publication on www.bourse.lu). In addition, so long as any Securities are held in or on behalf of a Clearing System, notices to the holders of such Securities may be given by delivery of the relevant notice to that Clearing System for communication by it to entitled accountholders or by delivery of the relevant notice to the holder of the relevant Global Security. Notices to the holders of Securities may also be given by publication in the newspaper specified in the Final Terms or such other leading newspaper of general circulation as the Issuer may determine. Any such notice shall be deemed to have been given on the weekday following such delivery or, where notices are so published, on the date of such publication or, if published more than once or on different dates, on the date of the first such publication. Notices to the holders of registered Securities may alternatively be mailed to them at their respective addresses in the relevant register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.

Notices to be given by a Securityholder shall (in the case of a Security not held in or on behalf of a Clearing System) be in writing and given by being lodged with a Certificate Agent. Where Securities are held in or on behalf of a Clearing System, such notices may be given by the holder of a Security through the relevant Clearing System in such manner as the relevant Clearing System may approve for this purpose together with confirmation from the Clearing System of the Securityholder's holding of Securities.

Where Securities are held in or on behalf of a Clearing System but such Clearing System does not permit notices to be sent through it, such notices may be given by the relevant Securityholder in writing by being lodged with a Certificate Agent, subject to the Securityholder providing evidence from the Clearing System satisfactory to the Issuer of the Securityholder's holding of Securities.

9 Calculations and Determinations

The Issuer shall have no responsibility for good faith errors or omissions in its calculations and determinations, whether caused by negligence or otherwise. The calculations and determinations of the Issuer shall be made in accordance with the Conditions having regard in each case to the criteria stipulated therein and (where relevant) on the basis of information provided to or obtained by employees or officers of the Issuer responsible for making the relevant calculation or determination and shall, in the absence of manifest error, be final, conclusive and binding on Securityholders. The Issuer does not assume any obligation or relationship of agency or trust or of a fiduciary nature for or with any Securityholder. Nothing in the Conditions shall exclude or restrict any duty or liability arising under the regulatory framework applicable to any person authorised by the Financial Services Authority.

10 Taxation

The Issuer is not liable for or otherwise obliged to pay, and the relevant Securityholder shall pay, any tax, duty, charges, withholding or other payment which may arise as a result of, or in connection with, the ownership, transfer, redemption or enforcement of any Security, including, without limitation, the payment of any amount thereunder. The Issuer shall have the right to withhold or deduct from any amount payable

to the Securityholder such amount as is necessary (a) for the payment of any such taxes, duties, charges, withholdings or other payments or (b) for effecting reimbursement to the Issuer for any payment by it of any tax, duty, charge, withholding or other payment referred to in this General Condition.

11 Modification

The Issuer may modify the Conditions without the consent of any Securityholder for the purposes of (a) curing any ambiguity or correcting or supplementing any provision contained in them in any manner which the Issuer may deem necessary or desirable provided that such modification is not, in the determination of the Issuer, prejudicial to the interests of the Securityholders or (b) correcting a manifest error. Notice of any such modification will be given to the Securityholders.

12 Substitution of the Issuer

The Issuer, or any previously substituted company, may at any time, without the consent of the Securityholders, substitute for itself as principal obligor under the Securities any company (the “**Substitute**”), being any Affiliate of the Issuer or another company with which it consolidates, into which it merges or to which it sells, leases, transfers or conveys all or substantially all its property, subject to:

- (a) where the Substitute is an Affiliate of the Issuer, the Substitute having a long-term unsecured debt rating equal to or higher than that of the Issuer given by Moody’s Investors Service, Inc. (or an equivalent rating from another internationally recognised rating agency) or having the benefit of a guarantee from the Issuer or another Affiliate of the Issuer with such a debt rating;
- (b) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Securities represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and being in full force and effect; and
- (c) the Issuer shall have given at least 30 days’ prior notice of the date of such substitution to the Securityholders in accordance with General Condition 8.

In the event of any substitution of the Issuer, any reference in the Conditions to the “Issuer” shall thenceforth be construed as a reference to the Substitute.

“**Affiliate**” means any entity controlled, directly or indirectly by the Issuer, any entity that controls, directly or indirectly, the Issuer and any entity under common control with the Issuer.

The Issuer shall also have the right upon notice to Securityholders in accordance with General Condition 8 to change the office through which it is acting for the purpose of the Securities, the date of such change to be specified in such notice provided that no change can take place prior to the giving of such notice.

13 Third Parties

No person shall have any right to enforce any of the Conditions of the Securities under the Contracts (Rights of Third Parties) Act 1999.

14 Miscellaneous Definitions

References to “**AUD**” are to Australian dollars, references to “**CAN**” are to Canadian dollars, references to “**DKr**” are to Danish Krone, references to “**EUR**” and “**€**” are to euro, references to “**GBP**” and “**£**” are to pounds sterling, references to “**HK\$**” and “**HKD**” are to Hong Kong dollars, references to “**JPY**” and “**¥**” are to Japanese yen, references to “**Nkr**” and “**NOK**” are to Norwegian Kroner, references to “**SGD**” are to Singapore dollars, references to “**SEK**” and “**SKr**” are to Swedish Kronor, references to “**CHF**” and “**Sfr**” are to Swiss Francs and references to “**USD**” and “**U.S.\$**” are to United States dollars.

“**Banking Day**” means, in respect of any city, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in such city.

“**Currency Business Day**” means a day which is a Banking Day in the Financial Centre(s) if any (as specified in the relevant Final Terms) and on which (unless the Settlement Currency is euro) commercial

banks and foreign exchange markets are generally open to settle payments in the city or cities determined by the Issuer to be the principal financial centre(s) for the Settlement Currency, and if the Settlement Currency is euro, which is also a TARGET Business Day.

“**Financial Centre**” means each of the places so specified in the Final Terms.

“**Settlement Currency**” means the currency in which a payment is to be made.

“**TARGET Business Day**” means a day on which the TARGET2 System or any successor thereto is operating, where “**TARGET2 System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer System.

15 Governing Law and Jurisdiction

The Securities and the Global Security, and any non-contractual obligations arising out of or in relation to the Securities and the Global Security, are governed by, and shall be construed in accordance with, English law.

The Issuer irrevocably agrees for the benefit of the Securityholders that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Securities and accordingly any suit, action or proceedings arising out of or in connection therewith (together referred to as “**Proceedings**”) may be brought in such courts.

The Issuer irrevocably and unconditionally waives and agrees not to raise any objection which it may have now or subsequently to the laying of the venue of any Proceedings in the courts of England and any claim that any Proceedings have been brought in an inconvenient forum and irrevocably and unconditionally agrees that a judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon the Issuer and, where the Issuer is CS, the Branch and may be enforced in the courts of any other jurisdiction. Nothing in this General Condition 16 shall limit any right to take Proceedings against the Issuer, or, where the Issuer is CS, the Branch in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

CS appoints its London Branch as its agent for service of process in England in respect of any Proceedings against CS.

TERMS AND CONDITIONS

The Securities will be subject to the General Terms and Conditions and Asset Terms set out in the Principal Base Prospectus as specified in the relevant Final Terms and also to the following provisions. In the case of a discrepancy or conflict with such General Terms and Conditions or Asset Terms, the following provisions shall prevail:

1 Definitions

“Best Performing Underlying Asset” means the Underlying Asset with the highest Underlying Asset Return, provided that if two or more Underlying Assets have the same highest Underlying Asset Return, then the Issuer and/or the Calculation Agent shall determine, in its/their absolute discretion, which Underlying Asset shall be the Best Performing Underlying Asset and such Underlying Asset shall be deemed to be the Best Performing Underlying Asset.

“Currency Rate” means, on any date, the rate, as determined by the Issuer, for the spot purchase of the Underlying Currency with the Settlement Currency, expressed as either (i) an amount of Underlying Currency per 1.0 of Settlement Currency or (ii) the amount of Settlement Currency per 1.0 of Underlying Currency (as specified in the Final Terms), based on the rate displayed at the FX Time on the relevant FX Page (or, if the Issuer determines that, as at the relevant FX Time, such rate is not displayed, as determined by the Issuer in its absolute discretion) and taking into account prevailing market conditions.

“Delivery Day” means a day on which Shares comprised in the Share Amount(s) may be delivered to Securityholders in the manner which the Issuer has determined to be appropriate.

“Delivery Notice” means a notice as referred to in paragraph 4 below.

“Disruption Cash Settlement Price” means in respect of each Security, an amount in the Settlement Currency equal to the fair market value of the Share Amount (taking into account, where the Settlement Disruption Event affected some but not all of the Shares comprising the Share Amount and such non-affected Shares have been duly delivered, the value of such Shares), less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer.

“Early Redemption Date” means (i) upon the occurrence of a Trigger Event, the Trigger Barrier Redemption Date, or (ii) upon the exercise of a Call Option of the Issuer, the Optional Redemption Date.

“Final Averaging Date” means, subject to the Asset Terms, each of the dates so specified in the relevant Final Terms.

“Final Fixing Date” means, subject to the Asset Terms, the date so specified in the relevant Final Terms.

“Final FX Date” means, subject to the Asset Terms, the date so specified in the relevant Final Terms.

“Final Price” means, in respect of an Underlying Asset, one of the following as specified in the relevant Final Terms:

- (a) The Level (either with regard to the Valuation Time or without regard to the Valuation Time, as specified in the relevant Final Terms) of the relevant Underlying Asset on the Final Fixing Date; or
- (b) The average (rounded down to two places of decimals) of the Levels (either with regard to the Valuation Time or without regard to the Valuation Time, as specified in the relevant Final Terms) of the relevant Underlying Asset on each of the Final Averaging Dates.

“Fractional Amount” means any fractional interest in one Share forming part of the Ratio.

“Fractional Cash Amount” means, in respect of each Security and in respect of Shares of a Share Issuer, the amount in the Settlement Currency (rounded to the nearest smallest transferable unit of such

currency, half such a unit being rounded upwards) calculated by the Issuer in accordance with the following formula:

$$\text{Final Price} \times \text{Fractional Amount} \times \text{Spot Rate}$$

“**FX Page**” means the relevant Bloomberg Page for the relevant Currency Rate specified in the Final Terms or any successor page on which the Issuer determines that the relevant Currency Rate is displayed.

“**FX Return**” means an amount, expressed as a percentage, determined by the Issuer in accordance with the following formula and rounded up to four decimal places:

$$\frac{\text{FX Final}}{\text{FX Initial}}$$

“**FX Final**” means the Currency Rate as determined by the Issuer on the Final FX Date.

“**FX Initial**” means the Currency Rate as determined by the Issuer on the Initial FX Date.

“**FX Time**” means the time specified in the Final Terms.

“**Initial Averaging Date**” means, subject to the Asset Terms, each of the dates so specified in the relevant Final Terms.

“**Initial FX Date**” means, subject to the Asset Terms, the date so specified in the relevant Final Terms.

“**Initial Setting Date**” means, subject to the Asset Terms, the date so specified in the relevant Final Terms.

“**Issue Date**” means the date so specified in the relevant Final Terms.

“**Knock-in Amount**” means an amount determined by the Calculation Agent in accordance with the following formula (rounded down to the nearest transferable unit of the Settlement Currency)

$$\text{Nominal Amount} \times \text{Final Price/Strike Price}$$

provided that, (i) if there are two or more Underlying Assets, the Final Price and Strike Price for the purposes of calculating the Knock-in Amount in accordance with the above formula shall be the Final Price and Strike Price of the Worst Performing Underlying Asset or the Best Performing Underlying Asset, as specified in the relevant Final Terms or (ii) if a “Knock-in Amount Factor” is specified in the relevant Final Terms, the Knock-in Amount shall be multiplied by such Knock-in Amount Factor.

“**Knock-in Barrier**” means, in respect of an Underlying Asset and a Knock-in Observation Date and/or Payout Observation Date, the level or price of such Underlying Asset equal to a percentage of the Strike Price of such Underlying Asset, as specified in the relevant Final Terms, provided that where there are two or more Underlying Assets and the average of either the highest two Levels, the lowest two Levels or all Levels of each of the Underlying Assets, as specified in the Final Terms, is used to determine whether a Knock-in Event has occurred or not, the Strike Price shall be the average of the Strike Prices of such Underlying Assets.

“**Knock-in Barrier (2)**” means, in respect of an Underlying Asset and a Knock-in Observation Date and/or Payout Observation Date, the level or price of such Underlying Asset equal to a percentage of the Strike Price of such Underlying Asset, as specified in the relevant Final Terms, provided that where there are two or more Underlying Assets and the average of either the highest two Levels, the lowest two Levels or all Levels of each of the Underlying Asset, as specified in the Final Terms, is used to determine whether a Knock-in Event has occurred or not, the Strike Price shall be the average of the Strike Prices of such Underlying Assets.

“Knock-in Event” means, subject to the relevant Asset Terms, in respect of any Knock-in Observation Date and/or Payout Observation Date as specified in the relevant Final Terms either with regard to the Valuation Time or without regard to the Valuation Time (as specified in the relevant Final Terms), the Level of the Underlying Asset or the Level of any Underlying Asset or the Level of the Worst Performing Underlying Asset or the Level of the Best Performing Underlying Asset or the Levels of each of the Underlying Assets or the average of either the highest two Levels, the lowest two Levels or all Levels of each of the Underlying Assets, as specified in the relevant Final Terms, is:

- (i) at or below the Knock-in Barrier; or
- (ii) below the Knock-in Barrier; or
- (iii) at or above the Knock-in Barrier; or
- (iv) above the Knock-in Barrier; or
- (v) at or below the Knock-in Barrier and at or above Knock-in Barrier (2); or
- (vi) at the Knock-in Barrier and at or above Knock-in Barrier (2); or
- (vii) below the Knock-in Barrier and at or above Knock-in Barrier (2); or
- (viii) below the Knock-in Barrier and above Knock-in Barrier (2);

provided that, where the Knock-in Event is without regard to the Valuation Time, for the purposes of the definition of Level used therein, the reference to “as at the Valuation Time” in the definition of Share Price, Index Level, FX Rate and Cash Index Level (as applicable) shall be deemed replaced with “at any time”.

“Knock-in Final Price” means, in respect of an Underlying Asset, as specified in the relevant Final Terms, either (i) the Trigger Barrier, (ii) the Strike Price or (iii) as specified in the relevant Final Terms, the level or price equal to a percentage of the Strike Price.

“Knock-in Observation Date” means (as specified in the relevant Final Terms) either (a) any Currency Business Day in the Knock-in Observation Period or (b) any of the dates so specified in the relevant Final Terms.

“Knock-in Observation Period” means the period, if any, specified in the relevant Final Terms.

“Level” means the Share Price, Index Level, Commodity Reference Price, Commodity Index Level, Fund Interest Value, FX Rate, FX Index level, level of the Inflation Index, Interest Rate Index level or Cash Index Level of the relevant Underlying Asset (and if not denominated in the Settlement Currency and **“Composite”** is specified in the Final Terms for the relevant Underlying Asset, translated into the Settlement Currency at the prevailing exchange rate as determined by the Calculation Agent in its sole discretion).

“Maturity Date” means the date specified in the relevant Final Terms on which the Securities will be redeemed, unless the Securities have previously been redeemed, purchased or cancelled and subject to any possible postponement of the Final Fixing Date.

“Minimum Participation” means the percentage so specified in the relevant Final Terms.

“Nominal Amount” or **“NA”** means the nominal amount of each Security specified in the relevant Final Terms.

“Optional Redemption Amount” means in respect of each Security in respect of which the Call Option has been exercised, an amount equal to a percentage of the Nominal Amount as specified in the relevant Final Terms.

“**Optional Redemption Date**” means the date specified as such in the relevant Final Terms.

“**Participation**” means the percentage so specified in the relevant Final Terms (which may be positive or negative) or, if such percentage is stated to be indicative, indicatively the percentage so specified in the relevant Final Terms or such other percentage as the Issuer shall determine in its sole and absolute discretion on the Initial Setting Date by reference to the then prevailing market conditions, subject to a minimum of the Minimum Participation, if any, specified in the relevant Final Terms.

“**Payout**” means, as determined by the Calculation Agent and rounded down to the nearest transferable unit of the Settlement Currency and in each case subject to the Payout Floor and/or Payout Cap if specified as applicable in the relevant Final Terms, an amount:

- (i) so specified in the relevant Final Terms determined as an amount per Specified Denomination or a percentage of the Nominal Amount; or
- (ii) that may be payable depending on the Level of one or more Underlying Assets on a Payout Observation Date and/or during a Payout Observation Period as further specified in the relevant Final Terms; or
- (iii) that may be payable depending on the Level of one or more Underlying Assets on a Payout Observation Date and/or during a Payout Observation Period as further specified in the relevant Final Terms determined in accordance with the following formula:
 - (a) if “Payout Call” is specified to be applicable in the relevant Final Terms,
Nominal Amount x Payout Call Performance x Participation;
 - (b) if “Payout Put” is specified to be applicable in the relevant Final Terms,
Nominal Amount x Payout Put Performance x Participation; or
 - (c) if “Memory Payout” is specified to be applicable in the relevant Final Terms:
Nominal Amount x Payout Rate x (t – n)

Where:

“n” is the number of Payouts previously paid, if any, prior to the relevant Payout Observation Date, in respect of which the Payout is being calculated;

“**Payout Rate**” means a percentage as specified in the relevant Final Terms; and

“t” is the number of Payout Observation Dates from the Issue Date to, and including, the relevant Payout Observation Date, in respect of which the Payout is being calculated.

“**Payout Call Performance**” means a percentage calculated in accordance with the following formula:

$$\left(\sum_{i=1}^A \frac{\text{Underlying Asset}_i \text{ Payout Fixing Price} - (\text{Payout Strike} \times \text{Underlying Asset}_i \text{ Strike Price})}{\text{Underlying Asset}_i \text{ Strike Price}} \times \text{Weighting}_i \right)$$

Where:

“A” is equal to the number of Underlying Assets specified in the relevant Final Terms;

“**Payout Strike**” means a percentage specified in the Final Terms; and

“**Weighting_i**” means the weighting in respect the relevant Underlying Asset specified in the relevant Final Terms.

“**Payout Cap**” means a percentage of the Nominal Amount as specified in the relevant Final Terms.

“Payout Date” means a date so specified in the relevant Final Terms.

“Payout Fixing Price” means, in respect of an Underlying Asset, one of the following as specified in the relevant Final Terms:

- (c) The Level (with regard to the Valuation Time) of the relevant Underlying Asset on the relevant Payout Observation Date;
- (d) The Level (without regard to the Valuation Time) of the relevant Underlying Asset on the relevant Payout Observation Date;
- (e) The average (rounded down to two places of decimals) of the Levels (with regard to the Valuation Time) of the relevant Underlying Asset on each Currency Business Day during the relevant Payout Observation Period; or
- (f) The average (rounded down to two places of decimals) of the Levels (without regard to the Valuation Time) of the relevant Underlying Asset on each Currency Business Day during the relevant Payout Observation Period.

“Payout Floor” means a percentage of the Nominal Amount as specified in the relevant Final Terms.

“Payout Observation Date” (as specified in the relevant Final Terms) either (a) any Currency Business Day in the Payout Observation Period or (b) any of the dates so specified in the relevant Final Terms.

“Payout Observation Period” means the period, if any, specified in the relevant Final Terms.

“Payout Put Performance” means a percentage calculated in accordance with the following formula:

$$\left(\sum_{i=1}^A \frac{(\text{Payout Strike} \times \text{Underlying Asset}_i \text{ Strike Price}) - \text{Underlying Asset}_i \text{ Payout Fixing Price}}{\text{Underlying Asset}_i \text{ Strike Price}} \times \text{Weighting}_i \right)$$

Where:

“A” is equal to the number of Underlying Assets specified in the relevant Final Terms;

“Payout Strike” means a percentage specified in the Final Terms; and

“Weighting_i” means the weighting in respect the relevant Underlying Asset specified in the relevant Final Terms.

“Physical Settlement” means, if so specified in the relevant Final Terms, the delivery of the relevant Underlying Asset pursuant to the Physical Settlement Trigger or Physical Settlement Option, as applicable.

“Physical Settlement Trigger Event” means, in respect of the Physical Settlement Trigger Observation Date and either with regard to the Valuation Time or without regard to the valuation Time (as specified in the relevant Final Terms), the Share Price of the Underlying Asset or the Share Price of any Underlying Asset or the Share Price of each Underlying Asset or the Share Price of the Best Performing Underlying Asset or the Share Price of the Worst Performing Underlying Asset, as specified in the relevant Final Terms, is below or at or below the Physical Settlement Trigger Event Barrier.

“Physical Settlement Trigger Event Barrier” means, in respect of an Underlying Asset and the Physical Settlement Trigger Observation Date, the Share Price equal to a percentage of the Strike Price of such Underlying Asset, as specified in the relevant Final Terms.

“Physical Settlement Trigger Observation Date” means the date so specified in the relevant Final Terms.

“Presentation Date” means the latest date prior to the Maturity Date by which the Issuer determines that a Delivery Notice must have been delivered by the Securityholder in order for the Issuer, in accordance with its administrative practices, to deliver the relevant Share Amounts on the Share Delivery Date.

“Ratio” means, in respect of a Share, subject to the Asset Terms, the number of Shares specified as such in the relevant Final Terms, or if the number of Shares is not so specified, the number of Shares calculated by the Issuer in accordance with the following formula:

$$\text{Nominal Amount} \times [\text{Spot Rate or Strike Price (as specified in the Final Terms)}]$$

“Redemption Amount” means, in respect of each Security, an amount determined as follows (subject in the case of (a), (b), (c) or (d) below where the Underlying Asset(s) is/are Shares and Physical Settlement is specified as applicable in the relevant Final Terms, as provided in paragraph 4 below) and if “FX Adjusted” is specified as applicable in the relevant Final Terms, multiplied by the FX Return:

- (a) If “Redemption Option 1” is specified as applicable in the relevant Final Terms (subject to paragraphs (e) and (f) below), the Redemption Amount Percentage multiplied by the Nominal Amount;
- (b) If “Redemption Option 2” is specified as applicable in the relevant Final Terms (subject to paragraphs (e) and (f) below):
 - (i) If no Knock-in Event has occurred, the Redemption Amount Percentage multiplied by the Nominal Amount; or
 - (ii) If a Knock-in Event has occurred, and
 - (A) If the Final Price of the Underlying Asset (or if there is more than one Underlying Asset, the Final Price of each of the Underlying Assets) is equal to or greater than the relevant Knock-in Final Price, the Redemption Amount Percentage multiplied by the Nominal Amount; or
 - (B) If the Final Price of the Underlying Asset (or if there is more than one Underlying Asset, the Final Price of one or more of the Underlying Assets) is less than its Knock-in Final Price, the Knock-in Amount, subject to the Redemption Amount Floor and/or Redemption Amount Cap, if applicable;
- (c) If “Redemption Option 3” is specified as applicable in the relevant Final Terms (subject to paragraphs (e) and (f) below):
 - (i) If no Knock-in Event has occurred, the Redemption Amount Percentage multiplied by the Nominal Amount; or
 - (ii) If a Knock-in Event has occurred, the Knock-in Amount, subject to the Redemption Amount Floor and/or Redemption Amount Cap, if applicable;
- (d) If “Redemption Option 4” is specified as applicable in the relevant Final Terms (subject to paragraphs (e) and (f) below):
 - (i) If no Knock-in Event has occurred, the higher of the (a) Redemption Amount Percentage multiplied by the Nominal Amount or (b) an amount equal to the Knock-in Amount, subject to the Redemption Amount Floor and/or Redemption Amount Cap, if applicable; or
 - (ii) If a Knock-in Event has occurred, the Knock-in Amount, subject to the Redemption Amount Floor and/or Redemption Amount Cap, if applicable;
- (e) If the Securities are specified to be “Trigger Securities”, “Trigger Yield Securities”, “Trigger Return Securities”, “Callable Trigger Yield Securities” or “Callable Trigger Return Securities” and if a

Trigger Event has occurred, the Issuer shall redeem the Securities (unless previously redeemed or purchased and cancelled) on the relevant Trigger Barrier Redemption Date at the Trigger Barrier Redemption Amount as set out in paragraph 3(b); or

- (f) If the Securities are specified to be “Callable Securities”, “Callable Yield Securities”, “Callable Return Securities”, “Callable Trigger Yield Securities” or “Callable Trigger Return Securities” and the Issuer exercises its Call Option, the Issuer shall redeem the Securities (unless previously redeemed or purchased and cancelled) on the Optional Redemption Date at the Optional Redemption Amount as set out in paragraph 3(b).

“**Redemption Amount Cap**” means a percentage of the Nominal Amount as specified in the relevant Final Terms.

“**Redemption Amount Floor**” means a percentage of the Nominal Amount as specified in the relevant Final Terms.

“**Redemption Amount Percentage**” means a percentage of the Nominal Amount as specified in the relevant Final Terms.

“**Settlement Currency**” means the currency specified in the relevant Final Terms.

“**Settlement Disruption Event**” means an event determined by the Issuer to be beyond the control of the Issuer as a result of which the Issuer cannot transfer (or it would be contrary to applicable laws and regulations for the Issuer to transfer) Shares comprised in the Share Amount(s) in accordance with paragraph 4(c)(ii).

“**Share Amount**” means, subject as provided in paragraph 4(c), in respect of each Security, the number of Shares equal to the Ratio rounded down to the nearest integral number of Shares.

“**Share Delivery Date**” means, in respect of a Share, subject as provided in paragraph 4(c)(ii), the Maturity Date or, if such day is not a Delivery Day, the first succeeding Delivery Day.

“**Spot Rate**” means, in respect of a Share, the prevailing spot rate determined by the Issuer in its discretion on the Final Fixing Date or, at the discretion of the Issuer, on the Banking Day in the city of the Principal Paying Agent or Fiscal Agent following the Final Fixing Date expressed as the number of units of the Settlement Currency that could be bought with one unit of the currency in which the relevant Share is quoted on the relevant Exchange (or, if no direct exchange rates are published, the effective rate resulting from the application of rates into and out of one or more intermediate currencies).

“**Strike Price**” means, in respect of an Underlying Asset, one of the following as specified in the relevant Final Terms:

- (a) The Level specified in the relevant Final Terms;
- (b) The Level (either with regard to the Valuation Time or without regard to the Valuation Time, as specified in the relevant Final Terms) of such Underlying Asset on the Initial Setting Date;
- (c) The average of the Levels (either with regard to the Valuation Time or without regard to the Valuation Time, as specified in the relevant Final Terms) of such Underlying Asset in respect of the Initial Averaging Dates, rounded down to two places of decimals; or

“**Trigger Barrier**” means, in respect of an Underlying Asset and a Trigger Barrier Observation Date, the Level of such Underlying Asset equal to a percentage of the Strike Price of such Underlying Asset, as specified in the relevant Final Terms, provided that where there are two or more Underlying Assets and the average of either the highest two Levels, the lowest two Levels or all Levels of each of the Underlying Assets, as specified in the Final Terms, is used to determine whether a Trigger Event has occurred or not, the Strike Price shall be the average of the Strike Prices of such Underlying Assets.

“Trigger Barrier Observation Date” means (as specified in the relevant Final Terms) either (a) any Currency Business Day in the Trigger Barrier Observation Period or (b) any of the dates so specified in the relevant Final Terms.

“Trigger Barrier Observation Period” means the period, if any, specified in the relevant Final Terms.

“Trigger Barrier Redemption Amount” means in respect of each Security in respect of which a Trigger Event has occurred, an amount equal to a percentage of the Nominal Amount as specified in the relevant Final Terms.

“Trigger Barrier Redemption Date” means, either (i) any of the dates specified in the relevant Final Terms following the occurrence of the Trigger Event or (ii) if specified in the relevant Final Terms, a date selected by the Issuer falling not later than 10 Currency Business Days immediately following the occurrence of the Trigger Event.

“Trigger Event” means, subject to the relevant Asset Terms, in respect of any Trigger Barrier Observation Date and either with regard to the Valuation Time or without regard to the Valuation Time (as specified in the relevant Final Terms), the Level of the Underlying Asset or the Level of each Underlying Asset or the Level of any Underlying Asset or the Level of the Worst Performing Underlying Asset or the Level of the Best Performing Underlying Asset or the Level of each of the Underlying Assets or the average of either the highest two Levels, lowest two Levels or all Levels of each of the Underlying Assets, as specified in the relevant Final Terms, is:

- (i) above the Trigger Barrier;
- (ii) at or above the Trigger Barrier;
- (iii) below the Trigger Barrier; or
- (iv) at or below the Trigger Barrier,

provided that, where the Trigger Event is without regard to the Valuation Time, for the purposes of the definition of Level used therein, the reference to “as at the Valuation Time” in the definition of Share Price, Index Level, FX Rate and Cash Index Level (as applicable) shall be deemed replaced with “at any time”.

“Underlying Asset” means the relevant Underlying Asset specified in the relevant Final Terms.

“Underlying Asset Return” means in respect of each Underlying Asset, an amount equal to (i) in respect of any Payout, the Payout Fixing Price divided by the Strike Price and (ii) in all other cases, the Final Price divided by the Strike Price.

“Underlying Currency” means the currency of the Underlying Asset(s).

“Worst Performing Underlying Asset” means the Underlying Asset with the lowest Underlying Asset Return, provided that if two or more Underlying Assets have the same lowest Underlying Asset Return, then the Issuer and/or the Calculation Agent shall determine, in its/their absolute discretion, which Underlying Asset shall be the Worst Performing Underlying Asset and such Underlying Asset shall be deemed to be the Worst Performing Underlying Asset.

2 Interest, Premium and Payout

(a) *Yield Securities*

If the Securities are specified to be “Yield Securities”, “Trigger Yield Securities”, “Callable Yield Securities” or “Callable Trigger Yield Securities”, the Securities entitle the holders to interest at the Rate of Interest or the Interest Amount and/or premium at the Rate of Premium or the Premium

Amount per Security as specified in the relevant Final Terms. In the case of Trigger Yield Securities or Callable Trigger Yield Securities, payments of interest and premium will only be made if no Trigger Event occurs.

(b) *Return Securities*

If the Securities are specified to be “Return Securities”, “Trigger Return Securities”, “Callable Return Securities” or “Callable Trigger Return Securities”, the Securities entitle the holders to the Payout(s) payable on the Payout Date(s) specified in the relevant Final Terms. If “Knock-in Payout Cut Off” is specified as applicable in the relevant Final Terms and a Knock-in Event occurs, no further Payouts will be payable. In the case of Trigger Return Securities or Callable Trigger Return Securities, the Payout(s) will only be payable if no Trigger Event occurs.

(c) *Other Securities*

If the Securities are specified to be “Trigger Securities” or “Callable Securities” then no payments of interest, premium or Payout will be made.

3 Redemption

(a) *All Types of Securities*

Unless they have previously been redeemed or purchased and cancelled, and subject to (b) below, the Issuer shall redeem the Securities on the Maturity Date at their Redemption Amount.

(b) *Callable and Trigger Securities*

If the Securities are specified to be “Callable Securities”, “Callable Yield Securities”, “Callable Return Securities”, “Callable Trigger Yield Securities” or “Callable Trigger Return Securities” and the Issuer exercises its Call Option, the Issuer shall redeem the Securities (unless previously redeemed or purchased and cancelled) on the Optional Redemption Date at the Optional Redemption Amount together with, in the case of Callable Yield Securities or Callable Trigger Yield Securities, the interest and/or premium payment payable, if any, on the Optional Redemption Date or, in the case of Callable Return Securities or Callable Trigger Return Securities, together with the Payout payable, if any, on such Optional Redemption Date. Thereafter no further payments of interest, premium or Payout will be made.

If the Securities are specified to be “Trigger Securities”, “Trigger Yield Securities”, “Trigger Return Securities”, “Callable Trigger Yield Securities” or “Callable Trigger Return Securities” and a Trigger Event occurs, the Issuer shall redeem the Securities (unless previously redeemed or purchased and cancelled) on the relevant Trigger Barrier Redemption Date at the Trigger Barrier Redemption Amount together with, in the case of Trigger Yield Securities or Callable Trigger Yield Securities, the interest and/or premium payment payable, if any, on the Trigger Barrier Redemption Date or, in the case of Trigger Return Securities or Callable Trigger Return Securities, together with the Payout payable, if any, on such Trigger Barrier Redemption Date. Thereafter no further payments of interest, premium or Payout will be made.

(c) *Italian Securities*

If the Final Terms specify that the Additional Provisions for Certificates listed on Borsa Italiana S.p.A. as set out in the Principal Base Prospectus shall apply then Condition 3(b) above shall be amended by replacing “the Issuer shall redeem the Securities” (in both paragraphs) with “the Securities will be automatically exercised according to Condition 3(a)”.

For the avoidance of doubt, if the Trigger Redemption provisions and/or the Issuer’s Call Option are applicable and a Trigger Event occurs or the Issuer exercises its Call Option (as applicable),

the Securities will be automatically exercised in accordance with Condition 3(a) (as amended by this Condition), or (ii) if a Trigger Event does not occur or the Issuer does not exercise its Call Option (as applicable), the Securities will be automatically exercised on the Maturity Date at an amount per Security equal to the Redemption Amount.

4 Delivery of Shares (Physical Settlement)

(a) Redemption by delivery of Shares

(A) Physical Settlement Trigger

Where the Underlying Asset is Shares and the relevant Final Terms specify that the Physical Settlement Trigger is applicable and if the Physical Settlement Trigger Event occurs, in lieu of paying the Redemption Amount, the Issuer shall discharge its payment obligation by (i) delivery of the Share Amount (or if there is more than one Underlying Asset, the Share Amount of the Worst Performing Underlying Asset or the Best Performing Underlying Asset, as specified in the relevant Final Terms) on the Share Delivery Date and (ii) payment on the Maturity Date of any Fractional Cash Amount.

If the Physical Settlement Trigger Event occurs and the Physical Settlement Trigger is specified as applicable in the relevant Final Terms, the Issuer shall, as soon as practicable, and on or prior to the Banking Day that is at least a number of Banking Days prior to the Presentation Date equal to the Presentation Date Notice Period set out in the relevant Final Terms, give notice to the Securityholders in accordance with the General Conditions that the Physical Settlement Trigger Event has occurred and provide details of the Presentation Date.

(B) Physical Settlement Option

Where the Underlying Asset is Shares and the relevant Final Terms specify that the Physical Settlement Option is applicable and if the Physical Settlement Option Notice has been delivered, in lieu of paying the Redemption Amount, the Issuer shall discharge its payment obligation by (i) delivery of the Share Amount (or if there is more than one Underlying Asset, the Share Amount of the Worst Performing Underlying Asset or the Best Performing Underlying Asset, as specified in the relevant Final Terms) on the Share Delivery Date and (ii) payment on the Maturity Date of any Fractional Cash Amount.

“Physical Settlement Option Notice” means a notice from the relevant Securityholder to the Issuer and the Paying Agent confirming that the Physical Settlement Option is exercised. Such notice must be delivered to the Issuer and the Paying Agent on or prior to the Banking Day that is at least a number of Banking Days prior to the Maturity Date equal to the Physical Settlement Option Notice Period set out in the relevant Final Terms. Any Physical Settlement Option Notice delivered after such date will not be valid.

If the Physical Settlement Option is specified as applicable in the relevant Final Terms and a valid Physical Settlement Option Notice has been delivered, the Issuer shall, as soon as practicable, and on or prior to the Banking Day that is at least a number of Banking Days prior to the Presentation Date (such number of Banking Days being equal to the Presentation Date Notice Period set out in the relevant Final Terms), provide details of the Presentation Date.

For both (A) and (B) above, if the Securities are to be redeemed by Physical Settlement, the Share Amounts in respect of the Securities shall be delivered subject to and in accordance with the following provisions and, where applicable, the rules and operating procedures of the relevant Clearing System.

(b) Delivery Notices

In order to obtain delivery of the Share Amount(s), the relevant Securityholder must deliver to any Paying Agent, on or before the Presentation Date, the relevant Security(ies) (if individually certificated) and a duly completed Delivery Notice.

The “**Delivery Notice**” shall be substantially in such form as the Issuer may determine and copies may be obtained from any Agent.

The Delivery Notice must:

- (i) specify the name and address of the relevant Securityholder, the securities account in the Clearing System where the relevant Securities are to be debited and the securities account in the Clearing System to be credited with the relevant Share Amounts;
- (ii) certify that the beneficial owner of the relevant Securities is not a U.S. person; and
- (iii) authorise the production of such notice in any applicable administrative or legal proceedings.

No Delivery Notice may be withdrawn after receipt thereof by a Paying Agent. Upon the delivery of the Delivery Notice, the Securityholder may not transfer the Securities which are the subject of such Delivery Notice.

Failure properly to complete and deliver a Delivery Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided in these Conditions shall be made by the relevant Paying Agent, after consultation with the Issuer and shall be conclusive and binding on the Issuer and the relevant Securityholder.

If the relevant Security and the related Delivery Notice are delivered to any Paying Agent on a day that is not a Banking Day in the city of the relevant Paying Agent, such Security and Delivery Notice shall be deemed to be delivered on the next following such Banking Day.

The Issuer shall have no obligation to make delivery of the Share Amount in respect of such Security unless and until a duly completed Delivery Notice (together with the relevant Security if individually certificated) are each delivered as provided above. If the duly completed Delivery Notice (together with the relevant Security if individually certificated) are each delivered after the Presentation Date, delivery of such Share Amount shall be made as soon as possible thereafter but not earlier than the Share Delivery Date.

For the avoidance of doubt, the relevant holder of a Security shall not be entitled to any additional or further payment by reason of the delivery of the Share Amount in respect of such Security occurring after the Share Delivery Date as a result of such Delivery Notice or Security being delivered after the Presentation Date.

Securityholders should note that, since the Presentation Date may fall before the date on which the Issuer notifies them of the method of redemption, they may not know by then whether the Securities will be redeemed by payment or by delivery of the Share Amount. However, if the Delivery Notice and the relevant Securities are not delivered by the Presentation Date in accordance with this Condition and the Securities are to be redeemed by delivery of the Share Amount, the Securityholder will receive the Share Amount later than if the Delivery Notice and the relevant Securities had been so delivered by the Presentation Date.

- (c) Share Amounts

(i) Delivery of Share Amounts

Without prejudice to paragraph 4(c)(ii) below, the Issuer shall on the Share Delivery Date, deliver or procure the delivery of the Share Amount in respect of each Security to the relevant Clearing System (or, in the case of any Share Amount which is not eligible for delivery within the relevant Clearing System, using such other commercially reasonable manner as the Issuer may select) at the risk and expense of the relevant Securityholder. The Securityholder is required to pay all taxes and fees in connection with the delivery of the Share Amount, if any and no delivery shall take place until all such taxes and fees have been paid by the Securityholder to the absolute satisfaction of the Issuer. As used herein, "delivery" in relation to any Share Amount means the carrying out of the steps required of the Issuer (or such person as it may procure to make the relevant delivery) in order to effect the transfer of the relevant Share Amount and "deliver" shall be construed accordingly. The Issuer shall not be responsible for any delay or failure in the transfer of such Share Amount once such steps have been carried out, whether resulting from settlement periods of clearing systems, acts or omissions of registrars, incompatible or incorrect information being contained in any Delivery Notice or otherwise and shall have no responsibility for the lawfulness of the acquisition of the Shares comprising the Share Amount or any interest therein by any Securityholder or any other person.

In respect of each Share comprising the Share Amount, the Issuer shall not be under any obligation to register or procure the registration of the Securityholder or any other person as the registered shareholder in the register of members of the Share Issuer.

Securityholders should note that the actual date on which they become holders of the Shares comprising their Share Amount will depend, among other factors, on the procedures of the relevant clearing systems and any share registrar and the effect of any Settlement Disruption Events.

The Issuer shall not at any time be obliged to account to a Securityholder for any amount or entitlement that it receives by way of a dividend or other distribution in respect of any of the Shares. Dividends and distributions in respect of the Shares which constitute a Potential Adjustment Event may however result in an adjustment being made pursuant to the Asset Terms.

Neither the Issuer (nor any other person) shall (i) be under any obligation to deliver (or procure delivery) to such Securityholder (or any other person), any letter, certificate, notice, circular or any other document received by the Issuer (or that person) in its capacity as the holder of such Shares, (ii) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such Shares or (iii) be under any liability to such Securityholder or any subsequent beneficial owner of such Shares in respect of any loss or damage which such Securityholder or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that person being registered at any time as the legal owner of such Shares.

(ii) Settlement Disruption

If the Issuer determines that delivery of any Share Amount in respect of any Security by the Issuer in accordance with the Conditions is not practicable or permitted by reason of a Settlement Disruption Event subsisting, then the Share Delivery Date in respect of such Security shall be postponed to the first following Delivery Day in respect of which no such Settlement Disruption Event is subsisting and notice thereof shall be given to the relevant Securityholder by mail addressed to it at the address specified in the relevant Delivery Notice or in accordance with the General Conditions provided that the Issuer may elect in

its sole discretion to satisfy its obligations in respect of the relevant Security by delivering or procuring the delivery of such Share Amount using such other commercially reasonable manner as it may select and in such event the Share Delivery Date shall be such day as the Issuer deems appropriate in connection with delivery of such Share Amount in such other commercially reasonable and lawful manner. No Securityholder shall be entitled to any payment whether of interest or otherwise on such Security in the event of any delay in the delivery of the Share Amount pursuant to this paragraph and no liability in respect thereof shall attach to the Issuer.

Where a Settlement Disruption Event affects some but not all of the Shares comprising the Share Amount, the Share Delivery Date for the Shares comprising such Share Amount but not affected by the Settlement Disruption Event will be the originally designated Share Delivery Date.

For so long as delivery of the Share Amount in respect of any Security is not practicable or permitted by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of each relevant Security by payment to the relevant Securityholder of the Disruption Cash Settlement Price on the third Currency Business Day following the date that notice of such election is given to the Securityholders in accordance with the General Conditions. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Securityholders in accordance with the General Conditions.

The Issuer shall give notice as soon as practicable to the Securityholders in accordance with the General Conditions that a Settlement Disruption Event has occurred.

5 Calculations and Determinations

Any calculations and determinations made by the Issuer or the Calculation Agent shall be made in good faith and in a commercially reasonable manner.

Where a Level is to be determined with regard to the Valuation Time, such Level shall be the Level as of the Valuation Time. Where a Level is to be determined without regard to the Valuation Time, such Level shall be the Level at any time (and, if more than one Underlying Asset, not necessary at the same time) on the relevant day.