

SecurAsset

(a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 2-8 avenue Charles de Gaulle, L-1653 Luxembourg and registered with the Luxembourg trade and companies register under number B 144385)

Secured Note, Warrant and Certificate Programme

Under this €20,000,000,000 Secured Note, Warrant and Certificate Programme (the "**Programme**"), SecurAsset S.A. (the "**Issuer**" or "**SecurAsset**") may from time to time issue notes (the "**Notes**"), warrants (the "**Warrants**") or certificates (the "**Certificates**") and, together with the Notes and Warrants, the "**Securities**"), in the case of Notes or Certificates denominated, or in the case of Warrants, issued and exercisable in any currency agreed by the Issuer and the relevant Dealer (as defined below). The Issuer is subject to the Grand Duchy of Luxembourg ("**Luxembourg**") act dated 22 March 2004 on securitisation, as amended (the "**Securitisation Act 2004**"). Under the Securitisation Act 2004, the Issuer, as a regulated entity within the meaning of the Securitisation Act 2004, is entitled to issue Securities or shares to the public on an ongoing basis. Shares will not be issued under this Base Prospectus. The maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed €20,000,000,000 (or its equivalent in other currencies calculated as described in the Dealer Agreement, as defined below) or such greater amount as is agreed between the parties in the dealer agreement dated 6 February 2009 as most recently amended and restated on 29 June 2012 (the "**Dealer Agreement**", which expression includes the same as it may be modified and/or supplemented and/or restated from time to time).

This Base Prospectus supersedes the previous Base Prospectus dated 1 June 2012 prepared in connection with the Programme. Any Securities issued under the Programme on or after the date of this Base Prospectus are issued subject to the provisions in this Base Prospectus. This does not affect any Securities already in issue unless otherwise specified in the applicable Final Terms.

The Securities may be issued to the Dealer specified in the "*General Description of the Programme*" and may be issued to any additional dealer appointed under the Programme from time to time (each a "**Dealer**" and together the "**Dealers**"). The terms and conditions of the Notes are set out in "*Terms and Conditions of the Notes*". Notes may be issued in bearer form ("**Bearer Notes**") or registered form ("**Registered Notes**"). The terms and conditions of the Warrants are set out in "*Terms and Conditions of the Warrants*" and the terms and conditions of the Certificates are set out in "*Terms and Conditions of the Certificates*" ("Terms and Conditions of the Warrants", "Terms and Conditions of the Certificates" and "Terms and Conditions of the Notes" together, the "**Conditions**").

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") to approve this document as a base prospectus in its capacity as competent authority under the Luxembourg act dated 10 July 2005 on prospectuses for securities (the "**Prospectus Act 2005**") which implemented Directive 2003/71/EC of the European Parliament and of the Council of the European Union (the "**Prospectus Directive**") in Luxembourg. In addition, application has been made to the Luxembourg Stock Exchange for Securities issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market, which is a regulated market for the purposes of European Directive 2004/39/EC, and to be listed on the Official List of the Luxembourg Stock Exchange. In accordance with Article 7(7) of the Prospectus Act 2005, the CSSF gives no undertakings as to the economic and financial characteristics of the Programme or the quality or solvency of the Issuer.

The Securities will be issued in Series (as defined in the Conditions). In respect of the Notes, notice of the aggregate nominal amount of the Notes, the interest (if any) payable in respect of such Notes, the issue price of the Notes and any other terms and conditions not contained herein which are applicable to each Series (and/or Tranche, as the case may be) (as defined in the Conditions) of Notes will be set out in a final terms document (the "**Notes Final Terms**") which (except in the case of Private Placement Notes (as defined below)) will be filed with the CSSF. In respect of the Warrants, notice of the aggregate number and type of Warrants, the exercise period or exercise date of the Warrants, the issue price of the Warrants and any other terms and conditions not contained herein which are applicable to each Series (and/or Tranche, as the case may be) of Warrants will be set out in a final terms document (the "**Warrant Final Terms**") which (except in the case of Private Placement Warrants (as defined below)) will be filed with the CSSF. In respect of the Certificates, notice of the aggregate notional amount of the Certificates, the interest (if any) payable in respect of such Certificates, the issue price of the Certificates and any other terms and conditions not contained herein which are applicable to each Series (and/or Tranche, as the case may be) of Certificates will be set out in a final terms document (the "**Certificates Final Terms**") and, together with the Notes Final Terms and Warrant Final Terms, referred to in this Base Prospectus as the "**Final Terms**") which (except in the case of Private Placement Certificates (as defined below)) will be filed with the CSSF. The CSSF assumes no responsibility as to the economic and financial soundness of any transaction or the quality or solvency of the Issuer.

The Programme provides that the Securities may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer, the Guarantor (as defined below) (if applicable) and the relevant Dealer. The Issuer may also issue unlisted Securities and/or Securities not admitted to trading on any market. The Issuer may agree with any Dealer that Securities may be issued in a form not contemplated by the Conditions as set out herein, in which case a base prospectus supplement, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Securities. This Base Prospectus will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) in accordance with article 16 of the Prospectus Act 2005. Copies of this Base Prospectus can also be obtained at the specified office of the Issuing and Paying Agent and Principal Warrant and Certificate Agent (each as defined below) at the address given at the end of this Base Prospectus.

In accordance with the Securitisation Act 2004, the Issuer may create one or more compartments. In respect of any Series of Securities, "**Compartment**" means the compartment under which such Securities are issued. Each Compartment will comprise a pool of Charged Assets (as defined below) of the Issuer separate from the pools of Charged Assets relating to other Compartments. Each Series may (if so stated in the applicable Final Terms) be secured by a charge on, or assignment in respect of rights under, certain bonds, notes, warrants, receivables or equity securities of any form, denomination, type or issuer, guarantees, units in funds, loans or any other financial obligations assigned to or assumed by the Issuer or any other agreed assets owned by the Issuer (the "**Compartment Assets**") and funds held from time to time by the Custodian and/or the Issuing and Paying Agent or Principal Warrant and Certificate Agent, as applicable and/or the Registrar (each as defined herein) for payments due under the Securities of such Series (the "**Cash Assets**") and/or secured by an assignment of the Issuer's rights under an interest rate and/or currency exchange agreement or credit default swap agreement or total return swap agreement or other derivative transaction (the "**Swap Agreement**") (as defined in the Conditions) and/or a deposit agreement (the "**Deposit Agreement**") and/or repurchase agreement (the "**Repurchase Agreement**") entered into in respect of the relevant Notes, Warrants or Certificates, together with such additional security as may be described in the applicable Final Terms (together with the Compartment Assets, the Cash Assets, the Swap Agreement, the Deposit Agreement and the Repurchase Agreement, the "**Charged Assets**"). Any securities comprised in the Charged Assets may, subject as provided herein, be substituted by cash and/or other securities (as set out in the Conditions). The obligations of the Issuer under a Swap Agreement to a counterparty to such Swap Agreement may also be secured on certain assets comprised in the Charged Assets. A non-exhaustive list of considerations relating to the Securities is set out in the section herein entitled "*Risk Factors*".

Payments in respect of the Notes or, as applicable, Warrants or Certificates may be unconditionally and irrevocably guaranteed by BNP Paribas S.A. ("**BNPP**" or "**BNP Paribas**") or such other entity as specified in the applicable base prospectus supplement (each, an "**Alternative Guarantor**" and, together with BNP Paribas, each a "**Guarantor**") (any such Notes, "**Guaranteed Notes**", any such Warrants, "**Guaranteed Warrants**" and any such Certificates, "**Guaranteed Certificates**"). Save where the relevant Securities are guaranteed by BNP Paribas pursuant to the terms of the guarantee set out herein (along with any guarantee provided by an Alternative Guarantor, each a "**Guarantee**"), the Issuer will not issue any Guaranteed Notes, Guaranteed Warrants or Guaranteed Certificates

(other than unlisted Guaranteed Notes, Guaranteed Warrants or Guaranteed Certificates which are offered in such a manner such that a prospectus is not required in accordance with Article 3(2) of the Prospectus Directive) unless it has first made available a base prospectus supplement which will describe the relevant Alternative Guarantor, the terms of the relevant Guarantee and the effect of the Guarantee on such Notes or, as applicable, such Warrants or Certificates.

In respect of any Compartment and any Security (but without prejudice to the rights of holders of Guaranteed Notes, Guaranteed Warrants and Guaranteed Certificates under the Guarantee), all payments to be made by the Issuer in respect of such Security and the related Swap Agreement, Repurchase Agreement and/or Deposit Agreement (if any) will be made only from and to the extent of the sums received or recovered from time to time by or on behalf of the Issuer or the Trustee in respect of the Charged Assets and, following a Note Acceleration, Warrant Acceleration or Certificate Acceleration in respect of such Note or such Warrant or such Certificate, as applicable (but without prejudice to the rights of holders of Guaranteed Notes, Guaranteed Warrants or Guaranteed Certificates under the relevant Guarantee), the entitlement of the holder of such Note (a "**Noteholder**") or the holder of such Warrant (a "**Warrantholder**") or the holder of such a Certificate (a "**Certificateholder**") will be limited to such Noteholder, Warrantholder or Certificateholder's *pro rata* share of the proceeds of the relevant Charged Assets applied in accordance with the Order of Priority specified in the applicable Final Terms and, in the case of Guaranteed Notes, Guaranteed Warrants and Guaranteed Certificates, sums obtained on their behalf by the Trustee, making a claim under the applicable Guarantee, subject to the terms set out in the applicable Final Terms or base prospectus supplement as applicable and the relevant provisions of the applicable Guarantee. If, in respect of any Security, the net proceeds of the enforcement or liquidation of the relevant Charged Assets applied as aforesaid are not sufficient to make all payments due in respect of such Security, no other assets of the Issuer will be available to meet such shortfall, and the claims of the holder of such Security (each, a "**Holder of Securities**") as against the Issuer in respect of any such shortfall shall be extinguished. In all cases, neither the Holder of Securities nor any person on its behalf shall have the right to petition for the winding-up of the Issuer as a consequence of any shortfall. Holders of Securities, by acquiring the Securities, expressly accept, and shall be deemed to be bound by, the provisions of the Securitisation Act 2004 and, in particular, the provisions with respect to compartments, limited recourse, non-petition, subordination and priority of payments.

Securities may be rated or unrated as specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold Securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Arranger for the Programme

BNP Paribas Arbitrage S.N.C.

The date of this Base Prospectus is 29 June 2012

Notes, Warrants or Certificates (i) involving an offer to the public outside the European Economic Area (the "EEA") or of a type listed in article 3.2 of the Prospectus Directive and article 5.2 of the Prospectus Act 2005 and (ii) which are not admitted to trading on a regulated market under article 3.3 of the Prospectus Directive and article 6.1 of the Prospectus Act 2005 are referred to herein as "Private Placement Notes", "Private Placement Warrants" or "Private Placement Certificates" (together with Private Placement Notes and Private Placement Warrants, "Private Placement Securities"), as appropriate.

This Base Prospectus constitutes a "base prospectus" for the purposes of Article 5.4 of the Prospectus Directive as amended (including the amendments made by Directive 2010/73/EU (the "**2010 PD Amending Directive**") to the extent that such amendments have been implemented in a Member State of the European Economic Area) and Part II of the Prospectus Act 2005 in respect of the Securities.

The Securities and any Guarantee have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or under any state securities laws and include Securities in bearer form that are subject to U.S. tax law requirements. Accordingly, the Securities may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act in a transaction that will not cause the Issuer, any Compartment or the Guarantor, as the case may be, to become required to register under the Investment Company Act of 1940, as amended. By its purchase of a Security, each purchaser will be deemed or required, as the case may be, to have agreed that it may not resell or otherwise transfer any Security held by it except (i) to the Issuer or any affiliate thereof, (ii) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act, or (iii) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. state securities laws.

THE SECURITIES MAY NOT BE SUITABLE INVESTMENTS FOR ALL INVESTORS. NO INVESTOR SHOULD PURCHASE A SECURITY UNLESS SUCH INVESTOR UNDERSTANDS, AND IS ABLE TO BEAR, THE YIELD, MARKET, LIQUIDITY, STRUCTURE, REDEMPTION AND OTHER RISKS ASSOCIATED WITH SUCH SECURITY. FOR FURTHER DETAILS, SEE "RISK FACTORS" HEREIN.

Each of the Issuer and BNP Paribas (in respect of itself) (each "**a Responsible Person**" and together the "**Responsible Persons**") accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge and belief of the Issuer and BNP Paribas (each having taken all reasonable care to ensure that such is the case), the information contained (or incorporated by reference, including the free English translations of the documents constituting the BNP Paribas Disclosure) in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Securities in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Securities. Accordingly, any person making or intending to make an offer in that Relevant Member State of Securities which are the subject of an offering contemplated in this Base Prospectus as completed by final terms in relation to the offer of those Securities may only do so (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State, or where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State, such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of such offer. Except to the

extent that sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Securities in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Base Prospectus in connection with an offer of Securities are the persons named in the applicable Final Terms as the relevant Dealer(s) and the persons named in or identifiable following the applicable Final Terms as the Financial Intermediaries, as the case may be.

Copies of Final Terms will be available free of charge from the specified office of the Issuing and Paying Agent or Principal Warrant and Certificate Agent, as applicable (each as defined below), at the address given at the end of this Base Prospectus (provided that Final Terms relating to Private Placement Securities which are not publicly offered in Luxembourg will only be available for inspection by the relevant Holder of Securities upon production of evidence satisfactory to the Issuer or Paying Agent or Principal Warrant and Certificate Agent (as applicable) as to its holding of such Private Placement Securities and identity). This Base Prospectus and any Final Terms will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

This Base Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*"). This Base Prospectus shall be read and construed on the basis that such documents are incorporated in and form part of this Base Prospectus.

None of the Trustee, the Arranger, the Agents or any Dealer has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any Dealer, any Agent, the Arranger or the Trustee as to the accuracy or completeness of the information contained or incorporated by reference in this Base Prospectus or any other information provided by either of the Issuer or the Guarantor (if applicable). None of the Trustee, the Arranger, the Agents or any Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by either of the Issuer or the Guarantor (if applicable) in connection with the Programme or the Securities.

No person is or has been authorised by either of the Issuer or the Guarantor (if applicable) to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuer, the Guarantor (if applicable) or any Dealer.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or the Securities (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or a statement of opinion (or a report on either of those things) by any of the Issuer, the Guarantor (if applicable), the Trustee, the Arranger, the Agents or any Dealer that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or the Securities should purchase any Securities. Each investor contemplating purchasing any Securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness or value (as appropriate), of the Issuer, any underlying reference asset or entity, and, if applicable, the Guarantor, and the Charged Assets. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the Securities constitutes an offer or invitation by or on behalf of any of the Issuer, the Guarantor (if applicable), the Trustee, the Arranger, the Agents or any Dealer to any person to subscribe for or to purchase any Securities.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Securities shall in any circumstances imply that the information contained herein concerning any of the Issuer or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme or the Securities is correct as of any time subsequent to the date indicated in the document containing the same. No Dealer undertakes to review the financial condition or affairs of any of the Issuer

or the Guarantor during the life of the Programme or to advise any investor in the Securities of any information coming to its attention.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Securities in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Securities may be restricted by law in certain jurisdictions. None of the Issuer, the Guarantor (if applicable), the Trustee and the Dealer(s) represents that this Base Prospectus may be lawfully distributed, or that any Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by the Issuer, the Guarantor (if applicable), the Trustee or the Dealer(s) which is intended to permit a public offering of any Securities or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Securities may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Security comes must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Securities. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Securities in the European Economic Area, France, Italy, Luxembourg, the Netherlands, the United Kingdom, Spain, Germany, Belgium and the United States (see "*Subscription, Sale and Transfer Restrictions*").

INTERPRETATION

All references in this document to U.S. dollars, U.S.\$ or USD refer to the currency of the United States of America, those to sterling and £ refer to the currency of the United Kingdom, those to Australian dollars refer to the currency of Australia and those to euro, Euro, EUR and € refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

FORWARD-LOOKING STATEMENTS

The "*Summary of the Programme*" section of this Base Prospectus and the BNP Paribas Disclosure (as defined in "*Documents Incorporated by Reference*" below), contain forward-looking statements. BNP Paribas and the BNP Paribas Group (being BNP Paribas together with its consolidated subsidiaries, the "**Group**") may also make forward-looking statements in their audited annual financial statements, in their interim financial statements, in their offering circulars, in press releases and other written materials and in oral statements made by their officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Bank's and/or Group's beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made, and the Bank and the Group undertake no obligation to update publicly any of them in light of new information or future events.

PRESENTATION OF FINANCIAL INFORMATION

Most of the financial data presented, or incorporated by reference, in this Base Prospectus are presented in euros.

BNP Paribas consolidated financial statements for the years ended 31 December 2010 and 31 December 2011 have been prepared in accordance with international financial reporting standards ("**IFRS**"), as adopted by the European Union. The Group's fiscal year ends on 31 December and references in the information statement dated 1 June 2012 (the "**Information Statement**") to any specific fiscal year are to the twelve month period ended 31 December of such year.

The financial statements for the years ended 31 December 2010 and 31 December 2011 of SecurAsset S.A. were prepared in accordance with Luxembourg generally accepted accounting principles.

Due to rounding, the numbers presented throughout the BNP Paribas Disclosure may not add up precisely, and percentages may not reflect precisely absolute figures.

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SUMMARY OF THE PROGRAMME

This Summary must be read as an introduction to this Base Prospectus, and any decision to invest in any Securities of any Series should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference. No civil liability will attach to the Responsible Persons in any Member State of the European Economic Area (each an "EEA State") in respect of this Summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to information contained in this Base Prospectus is brought before a court in an EEA State, the plaintiff may, under the national legislation of the EEA State where the claim is brought, be required to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.

Words and expressions defined in the sections headed "Form of Notes", "Terms and Conditions of the Notes", "Terms and Conditions of the Warrants" or "Terms and Conditions of the Certificates" shall have the same meanings in this Summary.

Description of Issuer:

1. Key information on SecurAsset S.A.

SecurAsset S.A., a public limited liability company (*société anonyme*) whose activities are subject to the Securitisation Act 2004, was incorporated on 23 January 2009 and is authorised and supervised by the CSSF.

The purpose and object of the Issuer pursuant to its articles of incorporation is to enter into, perform and serve as a vehicle for, any transactions permitted under the Securitisation Act 2004.

The Issuer's registered office is located at 2-8 avenue Charles de Gaulle, L-1653 Luxembourg.

2. Share capital as of 31 December 2011

Its share capital as of 31 December 2011 amounts to EUR31,000 divided into 3,100 shares of EUR10 each.

Description of BNP Paribas:

1. Key information on BNP Paribas:

BNP Paribas ("**BNPP**", or the "**Bank**") is a French law *société anonyme* licensed as a bank. BNPP and its consolidated subsidiaries (the "**Group**") is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg.

2. Share capital as of 31 December 2011:

EUR 2,415,491,972 represented by 1,207,745,986 fully paidup shares with a par value of EUR 2 each (including the registration since 31 December 2011 of the creation of 6,088 shares subscribed pursuant to share options plans).

3. Main activities and markets:

BNP Paribas holds key positions in its three activities:

- Retail Banking: includes a set of Domestic Markets (including branch networks in France, Italy and Belgium), an International Retail Banking entity

(grouping retail networks in Europe, the Mediterranean Basin and the United States) and a Personal Finance entity, market leader in consumer finance;

- Investment Solutions: offers a broad range of high value-added products and solutions around the world, designed to meet all the requirements of individual, corporate and institutional investors including Private Banking (BNP Paribas Wealth Management), Asset Management (BNP Paribas Investment Partners), Real Estate (BNP Paribas Real Estate), Insurance (BNP Paribas Cardiff) and Securities Services (BNP Paribas Securities Services); and
- Corporate and Investment Banking (CIB): provides essentially financing, advisory and capital markets services. The main objective of CIB is to develop and maintain long-terms relationships with clients, to support them in their expansion or investment strategy and provide global solutions meet their financing, advisory and risk management needs.

4. Selected key audited financial information:

In millions of EUR

	31/12/2011	31/12/2010
Revenues	42,384	43,880
Cost of risk	(6,797)	(4,802)
Net income, Group share	6,050	7,843
Common Equity Tier 1 Ratio	9.6%	9.2%
Tier 1 Ratio	11.6%	11.4%
Total consolidated balance sheet	1,965,283	1,998,158

In millions of EUR

	31/12/2011	31/12/2010
Consolidated loans and receivables due from customers	665,834	684,686
Consolidated items due to customers	546,284	580,913
Shareholders' equity (Group share)	75,370	74,632

Description of Programme:

Secured Note, Warrant and Certificate Programme

Risk Factors (Issuer):

There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Securities issued under the Programme. These are set out under "Risk Factors" below and include that the Issuer's sole business is to enter into, perform and serve as a vehicle for, any transactions permitted under the Securitisation Act 2004. The Issuer has, and will have, no assets that are available to Holders of Securities other than Compartment Assets or other Charged Assets acquired by it, in each case in connection with the issue of the Securities or entry into other obligations relating to the Programme from time to time. The ability of the Issuer to meet its obligations under Securities issued by it will depend on the receipt by it of payments under the relevant hedging agreements (if any), usually with BNP Paribas or BNP Paribas Arbitrage S.N.C., from the counterparty under any relevant deposit arrangements, and from the Compartment Assets it purchases (if any) with the proceeds of each Series. Consequently, the Issuer is exposed to the ability of counterparties in respect of such hedging agreements or deposit agreements to perform their obligations under such agreements and to the creditworthiness of such counterparties. The counterparty under any hedging agreements may or may not provide credit support for its obligations. Where a hedging counterparty does provide such credit support, this may be in an amount less than the principal amount outstanding of the Notes or the amount payable in respect of the Warrants or Certificates. Holders of Securities (other than holders of Guaranteed Notes, Guaranteed Warrants and Guaranteed Certificates) will have recourse only to the Charged Assets of the Compartment through which such Securities are issued. The Issuer (acting through the relevant Compartment) will be the sole party liable under the Securities. In the event of insolvency proceedings in relation to the Issuer, Noteholders, Warrantholders and Certificateholders bear the risk of delay in settlement of their claims they may have against the Issuer under the Notes, Warrants or Certificates, as applicable, or receiving, in respect of their claims, the residual amount following realisation of the Issuer's assets after preferred creditors have been paid (as more fully set out in "Risk Factors" below). In addition, there are certain risks in relation to the custody arrangements under which Compartment Assets are held, also described under "Risk Factors" below.

Risk Factors (Guarantor):

There are certain factors that may affect (where applicable) the BNPP's obligations under the Guarantee (where applicable):

Nine main categories of risk are inherent in the Bank's activities:

- Credit Risk;
- Counterparty Risk;
- Market Risk;

- Operational Risk (including compliance and reputation risk);
- Asset-Liability Management Risk;
- Liquidity and Refinancing Risk;
- Insurance Subscription Risk;
- Break-even Risk (i.e. risk of incurring an operating loss due to a change in the economic environment leading to a decline in revenue coupled with insufficient cost-elasticity);
- Strategy Risk; and
- Concentration Risk.

Difficult market and economic conditions could in the future have a material adverse effect on the operating environment for financial institutions and hence on the Bank's financial condition, results of operations and cost of risk.

Legislative action and regulatory measures taken in response to the global financial crisis may materially impact BNPP and the financial and economic environment in which it operates.

BNPP's access to and cost of funding could be adversely affected by a further deterioration of the eurozone sovereign debt crisis, worsening economic conditions, a ratings downgrade or other factors.

A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect the Bank's results of operations and financial condition.

The Bank may incur significant losses on its trading and investment activities due to market fluctuations and volatility.

The Bank may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns.

Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.

Significant interest rate changes could adversely affect the Bank's revenues or profitability.

The soundness and conduct of other financial institutions and market participants could adversely affect the Bank.

The Bank's competitive position could be harmed if its reputation is damaged.

An interruption in or a breach of the Bank's information systems

may result in lost business and other losses.

Unforeseen external events can interrupt the Bank's operations and cause substantial losses and additional costs.

The Bank is subject to extensive and evolving regulatory regimes in the countries and regions in which it operates.

Notwithstanding the Bank's risk management policies, procedures and methods, it could still be exposed to unidentified or unanticipated risks, which could lead to material losses.

The Bank's hedging strategies may not prevent losses.

The Bank may experience difficulties integrating acquired companies and may be unable to realise the benefits expected from its acquisitions.

Intense competition, especially in France where it has the largest single concentration of its businesses, could adversely affect the Bank's revenues and profitability.

Risk Factors (Securities):

There are certain factors which are material for the purposes of assessing the market risks associated with the Securities issued under the Programme. These are set out under "*Risk Factors*" below and include exposure to one or more index or custom index, share, inflation index, interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or other exchange traded product (each an "**exchange traded instrument**"), commodity and/or commodity index, foreign exchange rate, fund and/or the credit of one or more reference entity (each an "**Underlying Reference**"), leverage, certain factors affecting the value and trading price of the Securities, certain considerations regarding hedging, specific risks in relation to Index Linked Notes, Index Linked Warrants and Index Linked Certificates (including Index Linked Notes, Index Linked Warrants and Index Linked Certificates linked to a property index or a custom index), Share Linked Notes, Share Linked Warrants and Share Linked Certificates (including Share Linked Notes, Share Linked Warrants and Share Linked Certificates linked to a Global Depositary Receipt ("**GDR**") and/or American Depositary Receipt ("**ADR**")), Commodity Linked Notes, Commodity Linked Warrants and Commodity Linked Certificates, Currency Linked Notes, Currency Linked Warrants and Currency Linked Certificates, Fund Linked Notes, Fund Linked Warrants and Fund Linked Certificates, ETI Linked Notes, ETI Linked Warrants and ETI Linked Certificates, and Credit Linked Notes and Credit Linked Certificates (each as defined below), specific risks in relation to Securities linked to hedge funds or Securities linked to an Underlying Reference from an emerging or developing market, specific risks in relation to Dynamic Notes, Dynamic Warrants and Dynamic Certificates, limitations on the liquidity of Securities where denominations involve integral multiples, market disruption or failure to open of an exchange, redemption disruption, additional adjustment events, potential adjustment events or extraordinary events

affecting shares, interests in exchange traded instruments or fund shares, extraordinary fund events, post-issuance information, change in law, effect of credit rating reduction, potential conflicts of interest, early redemption, interest rate changes, foreign exchange rate variation, possible illiquidity of Securities in the secondary market, and the risk that the Underlying Reference assets securing the Securities (if any) may not be realisable for their full nominal value. In addition, in relation to any Security, only the Trustee may take action (including enforcement action) against the Issuer, and is not obliged to take any such action without first being indemnified and/or secured to its satisfaction.

Risk Factors (Compartment Structure):

The Issuer is established as a *société de titrisation* within the meaning of the Securitisation Act 2004 which provides that claims against the Issuer by the Secured Parties will, in principle, be limited to the net assets of the relevant Compartment through which the relevant Series (and/or Tranche, as the case may be) is issued. Accordingly, in respect of any Compartment and any Security (save for any Security which is a Guaranteed Note, a Guaranteed Warrant or a Guaranteed Certificate) all payments to be made by the Issuer in respect of the Securities and the related Swap Agreement (if any) will be made only from and to the extent of the sums received or recovered from time to time by or on behalf of the Issuer or the Trustee in respect of the Charged Assets and, following a Note Acceleration in respect of a Note, a Warrant Acceleration in respect of a Warrant or a Certificate Acceleration in respect of a Certificate, the entitlement of the holder of the Note, Warrant or Certificate will be limited to, as applicable, such Noteholder's, Warrantholder's or Certificateholder's *pro rata* share of the proceeds of the relevant Charged Assets applied in accordance with the Order of Priority specified in the applicable Final Terms and not to the assets allocated to other Compartments created by the Issuer or to any other assets of the Issuer and, in the case of Guaranteed Notes, Guaranteed Warrants and Guaranteed Certificates, sums obtained on its behalf by the Trustee, making a claim under the applicable Guarantee, subject to the terms set out in the applicable Final Terms and the relevant provisions of the applicable Guarantee. Once all moneys received by the Trustee in connection with the enforcement of the Compartment Security over the Charged Assets have been applied in accordance with the Order of Priority set out in the applicable Final Terms and in the Trust Deed, it is not entitled to take any further steps against the Issuer to recover any further sums due and the right to receive any such sum shall be extinguished. In all cases, neither the holder of a Note, a Warrant or a Certificate nor any person on its behalf shall have the right to petition for the winding-up of the Issuer as a consequence of any shortfall. Noteholders, by acquiring the Notes, Warrantholders, by acquiring the Warrants and Certificateholders, by acquiring the Certificates, expressly accept, and shall be deemed to be bound by, the provisions of the Securitisation Act 2004 and, in particular, the provisions with respect to limited recourse to the relevant Compartment, non-

petition, subordination and priority of payments.

The Issuer may update the risk factors from time to time in any supplement to this Base Prospectus.

Risk Factors specific to a particular Series of Securities, including in relation to any Guarantee issued in respect of such Series, may also appear in the applicable Final Terms.

Prospective investors should consult their own professional advisers concerning any risks to the extent they consider necessary.

Risk Factors (Guaranteed Securities):

The Issuer may include additional risk factors in relation to any Alternative Guarantor, Guaranteed Notes, Guaranteed Warrants or Guaranteed Certificates in the applicable base prospectus supplement which will be made available by the Issuer prior to the issue of any Guaranteed Notes, Guaranteed Warrants or Guaranteed Certificates which are guaranteed by an Alternative Guarantor (unless the Issuer issues unlisted Guaranteed Notes, Guaranteed Warrants or Guaranteed Certificates which are offered in such a manner such that a prospectus is not required in accordance with Article 3(2) of the Prospectus Directive).

Guarantor (if applicable):

BNPP may guarantee Securities or Securities may be guaranteed by such other or further guarantor specified in the applicable Final Terms or base prospectus supplement (each an "**Alternative Guarantor**" and, together with BNP Paribas, each a "**Guarantor**"), as applicable).

The Issuer will not issue any Guaranteed Notes, Guaranteed Warrants or Guaranteed Certificates (other than unlisted Guaranteed Notes, Guaranteed Warrants or Guaranteed Certificates which are offered in such a manner such that a prospectus is not required in accordance with Article 3(2) of Directive 2003/71/EC of the European Parliament and of the Council of the European Union (the "**Prospectus Directive**")) which are guaranteed by any Alternative Guarantor unless it has first made available a base prospectus supplement which will describe the relevant Alternative Guarantor, the terms of the Guarantee and the effect of any such Guarantee on such Notes, such Warrants or such Certificates as applicable.

Arranger:

BNP Paribas Arbitrage S.N.C.

Dealers:

BNP Paribas Arbitrage S.N.C., BNP Paribas and any other Dealers appointed in accordance with the Dealer Agreement.

Compartments, Charged Assets and Compartment Assets:

Securities will be issued in Series (as defined in the sections headed "*Terms and Conditions of the Notes*", "*Terms and Conditions of the Warrants*" and "*Terms and Conditions of the Certificates*"). In accordance with the Securitisation Act 2004, the board of directors of the Issuer (the "**Board**") is entitled to create one or more compartments. In respect of any Series of Securities, "**Compartment**" shall mean the compartment under which such Securities are issued. Each Compartment will

comprise a pool of Charged Assets (as defined in Condition 8(c) (*Compartment Security*) of "Terms and Conditions of the Notes", Condition 9(c) (*Compartment Security*) of "Terms and Conditions of the Warrants"), and Condition 9(c) (*Compartment Security*) of "Terms and Conditions of the Certificates" separate from the pools of Charged Assets relating to any other Compartments. Charged Assets may include, *inter alia*, any Compartment Assets, Cash Assets and/or a Swap Agreement (as defined in "Description of the Swap Agreement") and/or a Deposit Agreement (as defined in "Description of the Deposit Agreement") and/or any Repurchase Agreement (as defined in "Description of the Repurchase Agreement") and/or any other Related Agreement (as defined in "Summary - Related Agreements"). The Charged Assets will be described in the applicable Final Terms.

The Compartment Assets may include, without limitation, participations, rights and interests in, and obligations under bonds, notes, warrants, receivables or equity securities of any form, denomination, type or issuer, guarantees, units in funds, loans or any other financial obligations assigned to or assumed by the Issuer or any other agreed assets owned by the Issuer or any other assets specified in the applicable Final Terms.

The Charged Assets are available exclusively to satisfy the claims of the Secured Parties (as defined in Condition 8(e) (*Application of Proceeds*) of "Terms and Conditions of the Notes", Condition 9(e) (*Application of Proceeds*) of "Terms and Conditions of the Warrants") and Condition 9(e) (*Application of Proceeds*) of "Terms and Conditions of the Certificates" of the relevant Compartment. In addition, if so specified in the applicable Final Terms, the obligations of the Issuer under the Notes, Warrants and Certificates may be supported by a Guarantee provided by a Guarantor, such Notes being Guaranteed Notes (as defined in Condition 3 (*Status of the Notes; Guaranteed Notes*)), such Warrants being Guaranteed Warrants (as defined in Condition 2 (*Status of the Warrants; Guaranteed Warrants*)) and such Certificates being Guaranteed Certificates (as defined in Condition 2 (*Status of the Certificates; Guaranteed Certificates*)).

Related Agreements:

In connection with the issue of any Series of Securities and the related Compartment, the Board of the Issuer may decide to enter into one or more Related Agreements, which may include, without limitation, any Swap Agreement, Deposit Agreement, Repurchase Agreement and/or credit support documents.

Compartment Security:

Subject as provided in the applicable Final Terms, each Series of Securities will have the benefit of the Compartment Security as defined in Condition 8(c) (*Compartment Security*) in "Terms and Conditions of the Notes", Condition 9(c) (*Compartment Security*) in the "Terms and Conditions of the Warrants" and Condition 9(c) (*Compartment Security*) in "Terms and Conditions of the Certificates" and in the applicable Final Terms.

Secured Parties:	Only the Secured Parties (as defined in Condition 8(e) (<i>Application of Proceeds</i>) in the " <i>Terms and Conditions of the Notes</i> ", Condition 9(e) (<i>Application of Proceeds</i>) in the " <i>Terms and Conditions of the Warrants</i> ") and Condition 9(e) (<i>Application of Proceeds</i>) of " <i>Terms and Conditions of the Certificates</i> " will be (i) entitled to share in the proceeds of the Charged Assets and (ii) entitled to the benefit of any Compartment Security as specified in the applicable Final Terms.
Order of Priority:	The claims of the Holders of Securities of any Series and of the other Secured Parties entitled to the benefit of the Compartment Security created in respect of the relevant Compartment (as specified in the applicable Final Terms and the Trust Deed), shall rank in accordance with the Order of Priority specified in the applicable Final Terms.
Trustee:	BNP Paribas Trust Corporation UK Limited and any successor appointed pursuant to the trust deed dated 6 February 2009 (the " Trust Deed ") as most recently amended and restated on 29 June 2012 made between, <i>inter alia</i> , the Issuer and the Trustee.
Issuing and Paying Agent, Principal Warrant and Certificate Agent, Registrar and Transfer Agent:	BNP Paribas Securities Services, Luxembourg Branch.
Paying Agents:	BNP Paribas Securities Services, Luxembourg Branch and/or any such additional or successor paying agent appointed in accordance with Condition 6 (<i>Payments</i>) in " <i>Terms and Conditions of the Notes</i> ".
Warrant and Certificate Agents:	BNP Paribas Securities Services, Luxembourg Branch and/or any such additional or successor agent appointed in accordance with the Agency Agreement.
Custodian:	BNP Paribas Securities Services, Luxembourg Branch. One or more sub-custodians may be appointed in relation to the Compartment Assets. The Issuer reserves the right at any time with the prior written consent of the Trustee to change the Custodian in accordance with the provisions of the Securitisation Act 2004, the relevant CSSF instructions and/or guidelines and Condition 8(b) (<i>Custodian; Custody Account; Account Bank; Compartment Account</i>) in the " <i>Terms and Conditions of the Notes</i> ", Condition 9(b) (<i>Custodian; Custody Account; Account Bank; Compartment Account</i>) in the " <i>Terms and Conditions of the Warrants</i> " and Condition 9(b) (<i>Custodian; Custody Account; Account Bank; Compartment Account</i>) in the " <i>Terms and Conditions of the Certificates</i> ".
Cash Manager:	BNP Paribas Securities Services, Luxembourg Branch, if specified in the applicable Final Terms.
Account Bank:	BNP Paribas Securities Services, Luxembourg Branch, if specified in the applicable Final Terms.

Programme Size:	Up to €20,000,000,000 (or its equivalent in other currencies as determined in accordance with the Dealer Agreement) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
Distribution:	Securities may be distributed by way of private or public placement.
Form of Notes:	Each Series (and/or Tranche, as the case may be) of Notes (as defined in "<i>Terms and Conditions of the Notes</i>") specified in the applicable Final Terms to be governed by English law will be either Bearer Notes (with or without interest coupons attached) or Registered Notes (without interest coupons attached) issued outside the United States in transactions not subject to the registration requirements of the Securities Act in reliance on the exemption from registration provided by Regulation S. Bearer Notes will on issue be represented by either a temporary global Note or a permanent global Note as specified in the applicable Final Terms. Temporary global Notes will be exchangeable either for (a) interests in a permanent global Note or (b) Definitive Bearer Notes, as indicated in the applicable Final Terms. Permanent global Notes will be exchangeable for Definitive Bearer Notes, in limited circumstances, including upon the occurrence of an Exchange Event, as described in "<i>Form of the Notes</i>". Registered Notes will on issue be represented by a Global Registered Note which will be exchangeable for Definitive Registered Notes in certain circumstances set out in such Global Registered Note. Registered Notes will not be exchangeable for Bearer Notes and vice versa. All payments, including in respect of interest and principal and whether at maturity or otherwise, will be payable only outside of the United States.
Terms of Notes:	Notes may be issued on a fully paid or a partly paid basis and at an issue price which is at par or at a discount to, or premium over, par. Notes may be denominated in any agreed currency and with any agreed maturity, subject to any applicable legal or regulatory restrictions and any requirements of the relevant central bank (or equivalent body). Notes may be issued as index linked notes ("Index Linked Notes"), share linked notes ("Share Linked Notes"), debt linked notes ("Debt Linked Notes"), commodity linked notes ("Commodity Linked Notes"), inflation index linked notes ("Inflation Index Linked Notes"), currency linked notes ("Currency Linked Notes"), fund linked notes ("Fund Linked

Notes"), exchange traded instrument linked notes ("**ETI Linked Notes**"), credit linked notes ("**Credit Linked Notes**"), dynamic notes ("**Dynamic Notes**") and market access notes ("**Market Access Notes**") or any other or further type of notes including as hybrid notes ("**Hybrid Notes**") whereby the Underlying Reference may be any combination of such indices, shares, debt, currency, commodities, commodity indices, inflation indices, fund shares or units, interests in exchange traded instruments the credit of specified reference entities or other asset classes or types.

Interest periods, rates of interest and the terms of and/or amounts payable on redemption may differ depending on the Notes being issued and such terms will be specified in the applicable Final Terms.

The applicable Final Terms will indicate either that the Notes cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or following an Event of Default) or that such Notes (if Physical Delivery Notes) may be settled at maturity or otherwise by receipt by the holders of a cash amount and/or by physical delivery (save, in the case of any Guaranteed Notes, as provided in the Guarantee) of the Entitlement (specified in the applicable Final Terms) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders, or that such Notes will be redeemable following an optional termination of the relevant Swap Agreement by the Swap Counterparty. The terms of any such redemption, including notice periods, any relevant conditions to be satisfied and the relevant redemption dates and prices will be indicated in the applicable Final Terms.

The applicable Final Terms may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.

Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) as indicated in the applicable Final Terms, save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency (see "*Certain Restrictions*").

Form of Warrants:

Each Series (and/or Tranche, as the case may be) of Warrants (as defined in "*Terms and Conditions of the Warrants*") specified in the applicable Final Terms to be governed by English law will be either Clearing System Warrants (as defined in "*Terms and Conditions of the Warrants*") or Registered Warrants (as defined in "*Terms and Conditions of the Warrants*") issued outside the United States in transactions not subject to the registration requirements of the Securities Act in reliance on the exemption from registration provided by Regulation S.

Clearing System Warrants will on issue be represented by a

Clearing System Global Warrant as specified in the applicable Final Terms.

Registered Warrants will on issue be represented by a Registered Global Warrant which will be exchangeable for Definitive Registered Warrants in certain circumstances set out in such Registered Global Warrant.

Interests in a Clearing System Global Warrant may not be exchanged for interests in a Registered Global Warrant and vice versa.

Terms of Warrants:

Warrants may be issued for and exercisable in any agreed currency and with any agreed Exercise Period and Exercise Date, subject to any applicable legal or regulatory restrictions and any requirements of the relevant central bank (or equivalent body).

Warrants may be American Style Warrants or European Style Warrants. American Style Warrants are exercisable in the manner set out in "*Terms and Conditions of the Warrants*" on any Exercise Business Day during the Exercise Period. European Style Warrants are exercisable in the manner set out in "*Terms and Conditions of the Warrants*" on the Exercise Date. Cash Settled Warrants may be automatically exercised.

Warrants may be issued as index linked warrants ("**Index Linked Warrants**"), share linked warrants ("**Share Linked Warrants**"), debt linked warrants ("**Debt Linked Warrants**"), commodity linked warrants ("**Commodity Linked Warrants**"), inflation index linked warrants ("**Inflation Index Linked Warrants**"), currency linked warrants ("**Currency Linked Warrants**"), fund linked warrants ("**Fund Linked Warrants**"), exchange traded instrument linked warrants ("**ETI Linked Warrants**"), dynamic warrants ("**Dynamic Warrants**"), market access warrants ("**Market Access Warrants**"), or any other or further type of warrants including as hybrid warrants ("**Hybrid Warrants**") whereby the Underlying Reference may be any combination of such indices, shares, debt, currency, commodities, commodity indices, inflation indices, fund shares or units, the credit of specified reference entities or other asset classes or types.

The terms of and/or amounts payable on exercise and cancellation may differ depending on the Warrants being issued and such terms will be specified in the applicable Final Terms.

The applicable Final Terms will indicate that the Warrants cannot be cancelled prior to their Expiration Date (other than following purchase, the occurrence of certain Early Termination Events or an Event of Default) or that such Warrants (if Physical Delivery Warrants) may be settled on the settlement date or otherwise by receipt by the holders of a cash amount and/or by physical delivery (save, in the case of any Guaranteed Warrants, as provided in the Guarantee) of the Entitlement (specified in the applicable Final Terms). The terms of any such cancellation, including notice periods, any relevant conditions to be satisfied

and the relevant cancellation dates and prices will be indicated in the applicable Final Terms.

Warrants will be issued at such issue prices as may be agreed between the Issuer and the relevant Dealer(s) as indicated in the applicable Final Terms.

Form of Certificates:

Each Series (and/or Tranche, as the case may be) of Certificates (as defined in "*Terms and Conditions of the Certificates*") specified in the applicable Final Terms to be governed by English law will be either Clearing System Certificates (as defined in "*Terms and Conditions of the Certificates*") or Registered Certificates (as defined in "*Terms and Conditions of the Certificates*") issued outside the United States in transactions not subject to the registration requirements of the Securities Act in reliance on the exemption from registration provided by Regulation S.

Clearing System Certificates will on issue be represented by a Clearing System Global Certificate as specified in the applicable Final Terms.

Registered Certificates will on issue be represented by a Registered Global Certificates which will be exchangeable for Definitive Registered Certificates in certain circumstances set out in such Registered Global Certificates.

Interests in a Clearing System Global Certificate may not be exchanged for interests in a Registered Global Certificate and vice versa.

Terms of Certificates:

Certificates may be issued on a fully paid or a partly paid basis and at an issue price which is at par or at a discount to, or premium over, par.

Certificates may be denominated in any agreed currency and with any agreed redemption date, subject to any applicable legal or regulatory restrictions and any requirements of the relevant central bank (or equivalent body).

Certificates may be issued as index linked certificates ("**Index Linked Certificates**"), share linked certificates ("**Share Linked Certificates**"), debt linked certificates ("**Debt Linked Certificates**"), commodity linked certificates ("**Commodity Linked Certificates**"), inflation index linked certificates ("**Inflation Index Linked Certificates**"), currency linked certificates ("**Currency Linked Certificates**"), fund linked certificates ("**Fund Linked Certificates**"), exchange traded instrument linked certificates ("**ETI Linked Certificates**"), credit linked certificates ("**Credit Linked Certificates**") dynamic certificates ("**Dynamic Certificates**"), market access certificates ("**Market Access Certificates**"), or any other or further type of certificates including as hybrid certificates ("**Hybrid Certificates**") whereby the Underlying Reference may be any combination of such indices, shares, debt, currency, commodities, commodity indices, inflation indices, fund shares

or units, the credit of specified reference entities or other asset classes or types.

Interest periods, rates of interest and the terms of and/or amounts payable on redemption may differ depending on the Certificates being issued and such terms will be specified in the applicable Final Terms.

The applicable Final Terms will indicate either that the Certificates cannot be redeemed prior to their stated redemption date (other than in specified instalments, if applicable, or for taxation reasons or following an Event of Default) or that such Certificates (if Physical Delivery Certificates) may be settled on redemption or otherwise by receipt by the holders of a cash amount and/or by physical delivery (save, in the case of any Guaranteed Certificates, as provided in the Guarantee) of the Entitlement (specified in the applicable Final Terms) or that such Certificates will be redeemable at the option of the Issuer and/or the Certificateholders, or that such Certificates will be redeemable following an optional termination of the relevant Swap Agreement by the Swap Counterparty. The terms of any such redemption, including notice periods, any relevant conditions to be satisfied and the relevant redemption dates and prices will be indicated in the applicable Final Terms.

The applicable Final Terms may provide that Certificates may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.

Certificates will be issued with a notional amount as may be agreed between the Issuer and the relevant Dealer(s) as indicated in the applicable Final Terms, save that the minimum notional amount of each Certificate will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency (see "*Certain Restrictions*").

Settlement:

Securities may be cash and/or physically settled.

In certain circumstances, if specified in the applicable Final Terms, in respect of the Notes, the Issuer or the Noteholder, in respect of the Warrants, the Issuer or the Warranholder, and in respect of the Certificates, the Issuer or the Certificateholder may vary settlement in respect of the Notes, Warrants or Certificates respectively.

Withholding Tax:

Neither the Issuer nor the Guarantor (if applicable) shall be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Security and all payments made by the Issuer or the Guarantor shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

Restrictions:

So long as any of the Securities remain outstanding, the Issuer will not, without the prior written consent of the Trustee, incur

any indebtedness for moneys borrowed or raised other than in respect of Permitted Instruments or Permitted Indebtedness, engage in any activity other than certain activities related to the Securities or any Permitted Instrument or Permitted Indebtedness or consolidate or merge with any other person, all as more fully described in Condition 4 (*Restrictions*) in "*Terms and Conditions of the Notes*" (in the case of Notes), Condition 3 (*Restrictions*) in "*Terms and Conditions of the Warrants*" (in the case of Warrants) and Condition 3 (*Restrictions*) in "*Terms and Conditions of the Certificates*" (in the case of Certificates).

Events of Default:

In respect of any Series of Securities, the Trustee at its discretion may, and if so requested in writing by, in the case of Notes, the holders of at least 25 per cent. in principal amount of Notes of such Series then outstanding, or, in the case of Warrants, the holders of at least 25 per cent. in number of such Series then unexercised, or, in the case of Certificates, the holders of Certificates representing at least 25 per cent. in number of such Series then outstanding, or if so directed by an Extraordinary Resolution of such holders, shall, (subject in each case to being indemnified and/or secured to its satisfaction) give notice to the Issuer and the Guarantor (if applicable) that such Notes are, and they shall accordingly forthwith become, immediately due and repayable (such occurrence, a "**Note Acceleration**") or such Warrants are, and they shall accordingly forthwith become, (unless otherwise specified in the Final Terms) entitled to the Liquidation Proceeds, subject to a Liquidation Proceeds Cap (such occurrence, a "**Warrant Acceleration**") or such Certificates are, and they shall accordingly forthwith become, (unless otherwise specified in the Final Terms) entitled to the Liquidation Proceeds, subject to a Liquidation Proceeds Cap (such occurrence, a "**Certificate Acceleration**") upon the occurrence of any of the following events (each an "**Event of Default**"):

- (i) a default is made for a period of 30 days or more in the payment of any sum due or the delivery of the Entitlement deliverable in respect of the Securities of such Series; or
- (ii) the Issuer fails to perform or observe any of its other obligations under the Securities of such Series or the Trust Deed (subject to a 45 day grace period where such failure is (in the opinion of the Trustee) remediable); or
- (iii) any order is made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer (including, without limitation, the opening of any bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (*insolvabilité, liquidation volontaire ou judiciaire*), composition arrangements with creditors (*concordat préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), fraudulent conveyance (*actio pauliana*), general settlement with creditors or reorganisation

proceedings or similar proceedings affecting the rights of creditors generally) or the appointment of a receiver of the Issuer (including, without limitation, the appointment of any receiver (*curateur*), liquidator (*liquidateur*), auditor (*commissaire*), verifier (*expert-verificateur*), (*juge délégué* or *juge commissaire*) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Holders of Securities of such Series; or

- (iv) if the Notes are Guaranteed Notes, if the Warrants are Guaranteed Warrants or if the Certificates are Guaranteed Certificates (as specified in the applicable Final Terms), the relevant Guarantee ceases to be in full force and effect in respect of the relevant Notes, Warrants or Certificates, or notice is given by the Guarantor which would cause the applicable Guarantee to cease to be in full force and effect in respect of such Notes, Warrants or Certificates, or is rendered void for any cause or by any means whatsoever or any legislation is introduced the result of which would be to remove the benefit of the Guarantee from the relevant Notes, Warrants or Certificates or terminate or amend the same in a manner (in the opinion of the Trustee) materially adverse to the interests of the relevant Noteholders, Warrantholders or Certificateholders, or the Guarantor is unable to perform its obligations thereunder for any reason.

Status of the Securities:

The Securities of each Series will be secured, limited recourse obligations of the Issuer, ranking *pari passu* without any preference among themselves (unless otherwise specified in the applicable Final Terms) and secured on the Charged Assets of the Compartment relating to such Series of Notes in the manner described in "*Terms and Conditions of the Notes*", such Series of Warrants in the manner described in "*Terms and Conditions of the Warrants*" and such Series of Certificates in the manner described in "*Terms and Conditions of the Certificates*" and the applicable Final Terms.

Recourse in respect of any Series of Securities will be limited to (i) the Charged Assets of the Compartment relating to such Series of Securities and (ii) in the case of Guaranteed Notes, Guaranteed Warrants and Guaranteed Certificates, recourse under the applicable Guarantee (on the terms set out therein or in the applicable base prospectus supplement and/or Final Terms).

Status of the Guarantee (if applicable):

If the Notes are Guaranteed Notes (as defined in Condition 3 (*Status of the Notes; Guaranteed Notes*) of the "*Terms and Conditions of the Notes*"), if the Warrants are Guaranteed Warrants (as defined in Condition 2 (*Status of the Warrants; Guaranteed Warrants*) of the "*Terms and Conditions of the Warrants*") or if the Certificates are Guaranteed Certificates (as

defined in Condition 2 (*Status of the Certificates; Guaranteed Certificates*) of the "*Terms and Conditions of the Certificates*") as specified in the applicable Final Terms, and subject to the satisfaction of the conditions set out therein and to the relevant provisions of the Supplemental Trust Deed (as defined in "*Terms and Conditions of the Notes*", "*Terms and Conditions of the Warrants*" and "*Terms and Conditions of the Certificates*"), payments in respect of the Notes, Warrants and Certificates will have the benefit of a guarantee (the "**Guarantee**") which will be made on or before the issue date of such Notes, Warrants or Certificates by BNP Paribas as set out in Condition 3 (*Status of the Notes; Guaranteed Notes*) of "*Terms and Conditions of the Notes*", Condition 2 (*Status of the Warrants; Guaranteed Warrants*) of "*Terms and Conditions of the Warrants*" and Condition 2 (*Status of the Certificates; Guaranteed Certificates*) of "*Terms and Conditions of the Certificates*" or made by an Alternative Guarantor as is specified in the applicable base prospectus supplement or Final Terms, as the case may be.

Use of Proceeds:

The net proceeds of each Series of Securities will be used to acquire the assets which will comprise the Charged Assets, to make payment under any agreement (including, without limitation, any Related Agreement) and/or to make payment to the counterparty to any Swap Agreement and/or to a bank or other entity pursuant to any Deposit Agreement and/or to the counterparty to any Repurchase Agreement in connection with any such Securities and/or to pay fees and expenses in connection with the administration of the Issuer and/or such Securities. If, in respect of any Series of Securities, there is a particular identified use of proceeds, in addition to or other than the foregoing, this will be stated in the applicable Final Terms.

Rating:

The Securities may be rated or unrated as specified in the applicable Final Terms. If rated, the rating may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant series of Securities will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011 (the "**CRA Regulation**") will be disclosed in the applicable Final Terms.

A rating is not a recommendation to buy, sell or hold Securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Listing, approval and admission to trading:

Application has been made to the CSSF to approve this document as a base prospectus in its capacity as competent authority under the Prospectus Act 2005. In addition, application has been made to the Luxembourg Stock Exchange for Securities issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange.

Securities may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer. Securities which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Securities are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

Governing Law:

The Securities will be governed by English law. If applicable and so specified in the applicable base prospectus supplement or relevant supplemental trust deed and applicable Final Terms, the Guarantee, may be governed by, and construed in accordance with, English law or the law of such other jurisdiction as specified in the applicable base prospectus supplement or Supplemental Trust Deed and Final Terms.

Selling Restrictions:

There are restrictions on the offer, sale and transfer of the Securities in the European Economic Area, France, Italy, Luxembourg, the Netherlands, the United Kingdom, Spain, Germany, Poland, Czech Republic, Belgium and the United States and such other restrictions as may be required in connection with the offering and sale of a particular Series (and/or Tranche, as the case may be) of Securities; see "*Subscription, Sale and Transfer Restrictions*" below.

United States Selling Restrictions:

Regulation S.

The Securities may not be offered, sold, resold, traded, pledged, redeemed, transferred, delivered or exercised, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person. Additional selling restrictions may apply as specified in the applicable Final Terms. The applicable Final Terms for Notes represented by a temporary global Note and a permanent global Note shall specify any applicable selling restrictions intended to qualify such Notes as "foreign targeted obligations" that will be exempt from Section 4701 of the Internal Revenue Code of the United States pursuant to the Hiring Incentives to Restore Employment Act of 2010.

Place of Payment:

All payments, including in respect of interest and principal and whether at maturity or otherwise, will be payable only outside of the United States.

GENERAL DESCRIPTION OF THE PROGRAMME

The following general description (the "General Description") does not purport to be complete and is taken from, and is qualified in its entirety by, the Summary and the remainder of this Base Prospectus and, in relation to the Terms and Conditions of any particular Series (and/or Tranche, as the case may be) of Securities, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Securities shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Securities only and if appropriate, a Supplement to the Base Prospectus will be published.

The General Description constitutes a general description of the Programme for the purposes of article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive.

Words and expressions defined in the sections headed "*Terms and Conditions of the Notes*", "*Terms and Conditions of the Warrants*", "*Terms and Conditions of the Certificates*" shall have the same meanings in this General Description.

Issuer:

SecurAsset S.A., a public limited liability company (*société anonyme*) whose activities are subject to the Securitisation Act 2004, was incorporated on 23 January 2009 and is authorised and supervised by the CSSF.

The Issuer's registered office is located at 2-8 avenue Charles de Gaulle, L-1653 Luxembourg.

The purpose and object of the Issuer pursuant to its articles of incorporation is to enter into, perform and serve as a vehicle for, any transactions permitted under the Securitisation Act 2004.

The Issuer has no subsidiaries.

All the shares in the Issuer are held by Stichting AssetSecur, a foundation duly incorporated under the laws of the Netherlands, having its registered office at Naritaweg 165 Telestone 8, 1043BW Amsterdam, The Netherlands and registered with the trade register of the Chamber of Commerce in Amsterdam under number 34322925.

Guarantor (if applicable):

BNPP may guarantee Securities or Securities may be guaranteed by such other or further guarantor specified in the applicable Final Terms or base prospectus supplement. The Issuer will not issue Guaranteed Notes, Guaranteed Warrants or Guaranteed Certificates (other than unlisted Guaranteed Notes, Guaranteed Warrants or Guaranteed Certificates which are offered in such a manner such that a prospectus is not required in accordance with Article 3(2) of Directive 2003/71/EC of the European Parliament and of the Council of the European Union (the "**Prospectus Directive**") where the Guarantor is an Alternative Guarantor unless it has first made available a base prospectus supplement which will describe the relevant Alternative Guarantor, the terms of the Guarantee and the effect of any such Guarantee on such Notes, such Warrants or such Certificates as applicable.

Description:

Secured Note, Warrant and Certificate Programme.

Shares will not be issued under this Base Prospectus.

Arranger:	BNP Paribas Arbitrage S.N.C.
Dealers:	BNP Paribas Arbitrage S.N.C., BNP Paribas and any other Dealers appointed in accordance with the Dealer Agreement.
Certain Restrictions:	Each issue of Securities denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see " <i>Subscription, Sale and Transfer Restrictions</i> ").
Trustee:	BNP Paribas Trust Corporation UK Limited and any successor appointed pursuant to the trust deed between the Issuer and the Trustee.
Issuing and Paying Agent, Principal Warrant and Certificate Agent, Registrar and Transfer Agent:	BNP Paribas Securities Services, Luxembourg Branch.
Calculation Agent:	BNP Paribas Arbitrage S.N.C.
Paying Agents:	BNP Paribas Securities Services, Luxembourg Branch and/or any such additional or successor paying agent appointed in accordance with Condition 6 (<i>Payments</i>) of " <i>Terms and Conditions of the Notes</i> ".
Warrant and Certificate Agents:	BNP Paribas Securities Services, Luxembourg Branch and/or any such additional or successor agent appointed in accordance with the Agency Agreement.
Custodian:	BNP Paribas Securities Services, Luxembourg Branch.
Account Bank:	BNP Paribas Securities Services, Luxembourg Branch (where specified in the applicable Final Terms).
Cash Manager:	BNP Paribas Securities Services, Luxembourg Branch (where specified in the applicable Final Terms).
Programme Size:	Up to €20,000,000,000 (or its equivalent in other currencies calculated in accordance with the Dealer Agreement) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
Distribution:	Securities may be distributed by way of private or public placement.
Currencies:	Securities may be denominated in euro, sterling, U.S. dollars and, subject to compliance with any applicable laws and regulations, any other currency as may be agreed between the Issuer and the relevant Dealer(s) as indicated in the applicable Final Terms.
Redenomination:	The applicable Final Terms may provide that certain Securities

may be redenominated in euro.

Maturities (Notes and Certificates): Any maturity as indicated in the applicable Final Terms subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.

Issue Price (Notes and Certificates): Notes or Certificates, as applicable, may be issued on a fully paid or a partly paid basis and at an issue price (expressed either (i) as a percentage of the aggregate nominal amount, in the case of Notes, or of the aggregate notional amount outstanding, in the case of Certificates, or (ii) as an amount per Note of the relevant Specified Denomination) which is at par or at a discount to, or premium over, par (as specified in the applicable Final Terms).

Form of Securities: Each Series (and/or Tranche, as the case may be) of Notes specified in the applicable Final Terms will be either Bearer Notes (with or without interest coupons attached) or Registered Notes (without interest coupons attached) issued outside the United States in accordance with Regulation S.

Bearer Notes will on issue be represented by either a temporary global Note or a permanent global Note as specified in the applicable Final Terms. Temporary global Notes will be exchangeable either for (a) interests in a permanent global Note or (b) for Definitive Bearer Notes, as indicated in the applicable Final Terms. Permanent global Notes will be exchangeable for Definitive Bearer Notes in limited circumstances, including upon the occurrence of an Exchange Event, as described in "*Form of the Notes*".

Registered Notes will on issue be represented by a Global Registered Note which will be exchangeable for Definitive Registered Notes in certain circumstances set out in such Global Registered Note.

Registered Notes will not be exchangeable for Bearer Notes and vice versa.

Each Series (and/or Tranche, as the case may be) of Warrants specified in the applicable Final Terms will be constituted by a global warrant, in accordance with Regulation S.

Clearing System Warrants will on issue be represented by a Clearing System Global Warrant as specified in the applicable Final Terms. Registered Warrants will on issue be represented by a Registered Global Warrant.

Registered Global Warrants will not be exchangeable for Clearing System Global Warrants and vice versa.

Each Series (and/or Tranche, as the case may be) of Certificates specified in the applicable Final Terms will be constituted by a global certificate, in accordance with Regulation S.

Clearing System Certificates will on issue be represented by a

Clearing System Global Certificate as specified in the applicable Final Terms. Registered Certificates will on issue be represented by a Registered Global Certificate.

Registered Global Certificates will not be exchangeable for Clearing System Global Certificates and vice versa.

Fixed Rate Notes and Fixed Rate Certificates:

Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms) and on redemption (if applicable) and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s) as indicated in the applicable Final Terms.

Partly Paid Notes and Partly Paid Certificates:

While any part payments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a temporary or permanent global Note representing such Notes may be exchanged for Definitive Bearer Notes.

If any Noteholder or Certificateholder, as the case may be, fails to pay any part payment due on any Partly Paid Notes or Partly Paid Certificates, as applicable, within the time specified, the Issuer may have a right to redeem such Notes or Certificates, as the case may be, if so specified, and on the terms set out, in the applicable Final Terms.

Floating Rate Notes and Floating Rate Certificates:

Floating Rate Notes and Floating Rate Certificates will bear interest at a rate determined (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement in the form of either (a) a confirmation incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes or Certificates, as the case may be, of the relevant Series) or (b) the Master Agreement relating to foreign exchange and derivative transactions published by the *Association Française des Banques/Fédération Bancaire Française* and evidenced by a Confirmation; or (ii) on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service; or (iii) on such other basis as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms).

Floating Rate Notes and Floating Rate Certificates may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes will be payable, and will be calculated as specified prior to issue in the applicable Final Terms.

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer(s) for each issue of Floating Rate Notes and specified in the applicable Final Terms.

Index Linked Notes, Index Linked Warrants and Index Linked

Payments in respect of Index Linked Securities will be calculated by reference to one or more indices as set out in the

Certificates (together, "Index Linked Securities"):

applicable Final Terms. Index Linked Securities may be linked to, *inter alia*, an equity index, a property index and/or a hybrid or multi-asset index (including one or more custom indices established, calculated and/or sponsored by BNP Paribas and/or its affiliates).

Index Linked Securities may be subject to adjustment or cancellation (in the case of Index Linked Warrants) or early redemption (in the case of Index Linked Notes and Index Linked Certificates) if an Index is modified or cancelled and there is no successor index acceptable to the Calculation Agent, if the Index's sponsor fails to calculate and announce the Index, or certain events (such as illegality, disruptions or cost increases) occur with respect to the Swap Counterparty's or any of its affiliates' hedging arrangements.

If certain disruption events occur with respect to valuation of an Index, such valuation will be postponed and certain adjustments may be made by the Calculation Agent. Payments may also be postponed.

Share Linked Notes, Share Linked Warrants and Share Linked Certificates (together, "Share Linked Securities"):

Payments in respect of Share Linked Securities will be calculated by reference to one or more shares, ADRs and/or GDRs (together referred to herein as "**Shares**" and each a "**Share**") as agreed between the Issuer and the relevant Dealer(s) set out in the applicable Final Terms. Share Linked Securities may also provide, in the case of Share Linked Notes or Share Linked Certificates, for redemption by physical delivery of the Entitlement as more fully set out in "*Terms and Conditions of the Notes*" or "*Terms and Conditions of the Certificates*", as applicable, or, in the case of Share Linked Warrants, physical settlement, as more fully set out in "*Terms and Conditions of the Warrants*".

Share Linked Securities may be subject to early redemption (in the case of Share Linked Notes and Share Linked Certificates) or cancellation (in the case of Share Linked Warrants) or adjustment (including as to valuation and in certain circumstances Share substitutions) if certain corporate events (such as events affecting the value of a Share or, in the case of GDRs and ADRs, Underlying Share (including Share or Underlying Share divisions or consolidations, extraordinary dividends and capital calls); de-listing of a Share or Underlying Share; insolvency, merger or nationalisation of a Share or Underlying Share issuer; or a tender offer or redenomination of a Share or Underlying Share) occur, if certain events (such as illegality, disruptions or cost increases) occur with respect to the Swap Counterparty's (if any) or any of its affiliates' hedging arrangements, or if insolvency filings are made with respect to a Share or Underlying Share issuer.

Inflation Linked Notes, Inflation Linked Warrants and Inflation Linked Certificates (together, "Inflation Linked Securities"):

Payments in respect of Inflation Linked Securities will be calculated by reference to one or more inflation Indices as agreed between the Issuer and the relevant Dealer(s) set out in the applicable Final Terms.

Commodity Linked Notes, Commodity Linked Warrants and Commodity Linked Certificates (together, "Commodity Linked Securities"):

Payments in respect of Commodity Linked Securities will be calculated by reference to one or more commodities and/or commodity indices as agreed between the Issuer and the relevant Dealer(s) set out in the applicable Final Terms.

Commodity Linked Securities may be subject to adjustment (including as to valuations) if certain events occur with respect to a Commodity, Commodity Index or Index Component (such as a trading disruption the disappearance of, or disruption in publication of, a reference price; and in certain circumstances a change in the formula for calculating a reference price; or a change in the content of a Commodity) or an index component disruption event or Index Adjustment Event in respect of a Commodity Index.

Commodity Linked Securities may be subject to cancellation or early redemption or adjustment if a Commodity Index is modified or cancelled and there is no successor index acceptable to the Calculation Agent, if the Index Sponsor fails to calculate and announce the Commodity Index, or certain events (such as illegality or disruptions) occur with respect to the Swap Counterparty's (if any), or any of its respective affiliates', hedging arrangements.

Currency Linked Notes, Currency Linked Warrants and Currency Linked Certificates (together, "Currency Linked Securities"):

Payments in respect of Currency Linked Securities will be calculated by reference to one or more foreign exchange rates as agreed between the Issuer and the relevant Dealer(s) set out in the applicable Final Terms.

Debt Linked Notes, Debt Linked Warrants and Debt Linked Certificates (together, "Debt Linked Securities"):

Payments in respect of Debt Linked Securities will be calculated by reference to one or more debt securities as set out in the applicable Final Terms. Debt Linked Notes and Debt Linked Certificates may also provide for settlement by physical delivery of the Entitlement.

Fund Linked Notes, Fund Linked Warrants and Fund Linked Certificates (together, "Fund Linked Securities"):

Payments in respect of Fund Linked Securities will be calculated by reference to units, interests or shares in a single fund or basket of funds on such terms as may be agreed between the Issuer and the relevant Dealer(s) and specified in the applicable Final Terms. Fund Linked Notes and Fund Linked Certificates may also provide for redemption by physical delivery of the Entitlement.

Fund Linked Securities may be subject to adjustment (including as to valuation and fund substitutions), early redemption or cancellation, as applicable, or if certain corporate events (such as insolvency (or an analogous event) occurring with respect to a fund; litigation against, or regulatory events occurring with respect to a fund; suspensions of fund subscriptions or redemptions; certain changes in net asset value of a fund; or modifications to the investment objectives or changes in the nature or administration of a fund) occur, if certain valuation or settlement disruption events occur with respect to a fund, or if certain events (such as illegality, disruptions or cost increases)

occur with respect to the relevant Swap Counterparty's (if any) or any of its affiliates' hedging arrangements.

Credit Linked Notes and Credit Linked Certificates (together, "Credit Linked Securities"):

Notes and Certificates with respect to which payment is linked to the credit of a specified entity or entities will be issued on such terms as may be agreed between the Issuer and the relevant Dealer(s) and specified in the applicable Final Terms.

If Conditions to Settlement are satisfied during the Notice Delivery Period, each Credit Linked Security will be redeemed by the payment of the Credit Event Cash Settlement Amount if Cash Settlement is specified in the applicable Final Terms, or by Delivery of the Deliverable Obligations comprising the Entitlement, if Physical Delivery is specified in the applicable Final Terms, or by the payment of the Auction Settlement Amount if Auction Settlement is specified in the applicable Final Terms (unless a Fallback Settlement Event occurs, in which case the Credit Linked Securities will be redeemed in accordance with the Fallback Settlement Method specified in the applicable Final Terms) as more fully set out in Annex 9 (*Additional Terms and Conditions for Credit Linked Securities*).

ETI Linked Notes, ETI Linked Warrants and ETI Linked Certificates (together, "ETI Linked Securities"):

Payments in respect of ETI Linked Securities will be calculated by reference to interests in one or more exchange traded instruments as set out in the applicable Final Terms. ETI Linked Securities may also provide for settlement by physical delivery of the Entitlement.

Market Access Notes, Market Access Warrants and Market Access Certificates (together, "Market Access Securities"):

Market Access Securities provide Holders of Securities with indirect access to certain markets (for example, India, Taiwan or Korea) that prohibit direct investment in their markets because investment is restricted to persons or entities that have a specific status (a "**Qualified Investor**") and have been approved by the relevant regulatory authorities. The Issuer's obligations in respect of such Securities may be hedged by means of the Share(s), the Index, the Shares comprised in the Index, the Shares relating to the depositary receipts and/or any instrument used for the purposes of hedging obligations under the Securities being held by a Qualified Investor which is a company within the Swap Counterparty's group. An investment in Market Access Securities will entail the risk that the hedging obligations under the Securities could be disrupted and/or the Qualified Investor could lose its status as a Qualified Investor.

Hybrid Notes, Hybrid Warrants and Hybrid Certificates (together, "Hybrid Securities"):

Payments in respect of Hybrid Securities will be calculated by reference to any combination of Underlying References as agreed between the Issuer and the relevant Dealer(s) as set out in the applicable Final Terms.

Physical Delivery Notes, Physical Delivery Warrants and Physical Delivery Certificates (together, "Physical Delivery Securities"):

Payments in respect of Physical Delivery Securities and any physical delivery of the Entitlement in respect of Physical Delivery Securities will be made in accordance with the terms of the applicable Final Terms, subject always to applicable securities laws.

Zero Coupon Notes:

Zero Coupon Notes will not bear interest (other than in the case

of late payment).

Redemption and Cancellation:

The applicable Final Terms will indicate either that the Securities cannot, in the case of Notes and Certificates, be redeemed prior to their stated redemption date or, in the case of Warrants, be cancelled prior to their Expiration Date (other than (in the case of Notes) in specified instalments, if applicable, or for taxation reasons, if applicable, or (in the case of any Securities) following an Event of Default) or that such Securities (if Physical Delivery Notes, Physical Delivery Warrants or Physical Delivery Certificates) may, in the case of Notes and Certificates, be settled on redemption or, in the case of Warrants, be settled on the Settlement Date or otherwise by receipt by the holder of a cash amount and/or by physical delivery (save, in the case of any Guaranteed Notes, Guaranteed Warrants and Guaranteed Certificates, as provided in the applicable Guarantee) of the relevant Entitlement or that such Securities will be redeemable or exercised at the option of the Issuer and/or (in the case of Notes and Certificates) the relevant Noteholders or Certificateholders, as the case may be, upon giving not less than 30 nor more than 45 days' irrevocable notice (or such other notice period (if any) as is indicated in the applicable Final Terms) to the Noteholders or the Certificateholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as may be agreed between the Issuer and Dealer(s) as indicated in the applicable Final Terms, or that such Securities may be redeemed early following the optional termination of the relevant Swap Agreement by the Swap Counterparty. The Securities may also be redeemed prior to their stated maturity or cancelled prior to their stated Expiration Date, as applicable, in circumstances described in the Terms and Conditions.

The applicable Final Terms may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as indicated in the applicable Final Terms.

Related Agreements:

In connection with the issue of any Series of Securities and the related Compartment, the board of directors of the Issuer may decide to enter into one or more Related Agreements, which may include, without limitation, any Swap Agreement, Deposit Agreement, Repurchase Agreement and/or credit support documents.

Swap Agreement:

The Issuer's obligations under the Securities may be hedged through one or more swap agreements, usually with BNP Paribas or BNP Paribas Arbitrage S.N.C. On transactions where a Swap Agreement is the only Charged Asset, such Swap Agreement may be modified to replicate the economic effect of a total return swap agreement so that the fair market value of the Collateral is always equal to the market value of Securities held by Holders of Securities other than the Swap Counterparty. A description of the principal terms of any swap agreement that may be entered into by the Issuer is set out in "*Description of the Swap Agreement*" below.

Deposit Agreement:

If specified in the applicable Final Terms, some or all of the proceeds of the Securities received by the Issuer on the Issue Date may be deposited in a bank account pursuant to a deposit agreement entered into on the Issue Date between the Issuer and such entity as is specified in the applicable Final Terms. A description of the principal terms of any Deposit Agreement that may be entered into by the Issuer is set out in "*Description of the Deposit Agreement*".

Repurchase Agreement

If specified in the applicable Final Terms, the Issuer will enter into one or more repurchase agreements (each, a "**Repurchase Agreement**") with such entity as is specified in the applicable Final Terms (the "**Repo Counterparty**") pursuant to which the Issuer and the Repo Counterparty will enter into one or more transactions under which the Issuer will purchase bonds, notes, debt securities or other financial instruments which shall form Compartment Assets from the Repo Counterparty. The market value of the assets purchased by the Issuer will be set out in the Final Terms. In certain circumstances, the Repo Counterparty may be obliged to repurchase securities equivalent to those that are the subject of the transaction, as set out in the applicable Final Terms. A description of the principal terms of any Repurchase Agreement that may be entered into by the Issuer is set out in "*Description of the Repurchase Agreement*".

Total Return Swap Agreement:

The Issuer may enter into one or more total return swap agreements with BNP Paribas (in such capacity, the "**TRS Counterparty**") (each, a "**Total Return Swap Agreement**") in order that a proportion of any Compartment Assets or Cash Assets forming part of the relevant Charged Assets relating to any Securities held by the TRS Counterparty may be released by the Issuer. Under the Total Return Swap Agreement the Issuer will pay to the TRS Counterparty an amount in the currency in which the Notes, Warrants or Certificates are denominated equal to the principal amount outstanding of the Notes purchased by the TRS Counterparty or its affiliates but not sold to investors on such date (in the case of Notes) or the number of Warrants purchased by the TRS Counterparty or its affiliates but not sold to investors on such date multiplied by the Issue Price of such Warrants (in the case of Warrants) or the number of the Certificates purchased by the TRS Counterparty or its affiliates but not sold to investors on such date multiplied by the Issue Price of such Certificates (in the case of Certificates) (in each case as such amount may be adjusted by a mark to market factor). The TRS Counterparty will pay to the Issuer an amount in the currency in which the Notes, Warrants or Certificates are denominated equal to the amount of all interest and principal due to be paid to holders of the Notes which form part of the TRS Holding on the relevant date for payment, or any payment which is due to the holders of the Warrants which form part of the TRS Holding on the relevant date for payment, or any payment which is due to the holders of the Certificates which form part of the TRS Holding on the relevant date for payment, as the case may be.

Following the TRS Counterparty or any affiliate selling any Securities which form part of the TRS Holding on any date after the Issue Date, certain other payments will be made to the Issuer under the Total Return Swap Agreement and the notional amount of any relevant Swap Agreement will be adjusted to reflect such sale on the date thereof.

On the date on which the Total Return Swap Agreement terminates, the TRS Counterparty will deliver to the Issuer those Securities which form the TRS Holding in respect of the Total Return Swap Agreement and such Securities will then be cancelled by the Issuer in accordance with Condition 7(j) (*Cancellation*) of "*Terms and Conditions of the Notes*", Condition 8(b) (*Cancellation*) of "*Terms and Conditions of the Warrants*" or Condition 8(j) (*Cancellation*) of "*Terms and Conditions of the Certificates*". A description of the principal terms of any Total Return Swap Agreement that may be entered into by the Issuer is set out in "*Description of the Total Return Swap Agreement*".

Denomination of Notes:

Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) as indicated in the applicable Final Terms, save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

Withholding Tax:

All payments made by the Issuer or the Guarantor (if applicable) shall be made free and clear of any withholding or deduction on account of any tax or duty unless such withholding or deduction is required by law, including, without limitation, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto, in which case they will be made net of the required withholding or deduction.

Restrictions:

So long as any of the Securities remain outstanding, the Issuer will not, without the prior written consent of the Trustee, incur any indebtedness for moneys borrowed or raised other than in respect of Permitted Instruments or Permitted Indebtedness, engage in any activity other than certain activities related to the Securities or any Permitted Instrument or Permitted Indebtedness or consolidate or merge with any other person or issue any shares, all as more fully described in Condition 4 (*Restrictions*) of "*Terms and Conditions of the Notes*", Condition 3 (*Restrictions*) of "*Terms and Conditions of the Warrants*" or Condition 3 (*Restrictions*) of "*Terms and Conditions of the Certificates*", as applicable.

Rating:	The Securities may be rated or unrated, as specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold Securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Listing, approval and admission to trading:	Application has been made to the CSSF to approve this document as a base prospectus in its capacity as competent authority under the Prospectus Act 2005. In addition, application has been made to the Luxembourg Stock Exchange for Securities issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange. Securities may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Securities which are neither listed nor admitted to trading on any market may also be issued. The applicable Final Terms will state whether or not the relevant Securities are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
Governing Law:	The Securities will be governed by English law. If applicable and so specified in the applicable base prospectus supplement or relevant supplemental trust deed and applicable Final Terms, the Guarantee, may be governed by, and construed in accordance with, English law or the law of such other jurisdiction as specified in the applicable base prospectus supplement or Supplemental Trust Deed and Final Terms.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Securities in the European Economic Area, France, Italy, Luxembourg, the Netherlands, the United Kingdom, Spain, Germany, Poland, Czech Republic, Belgium and the United States and such other restrictions as may be required in connection with the offering and sale of a particular Series (and/or Tranche, as the case may be) of Securities, see the section headed "<i>Subscription, Sale and Transfer Restrictions</i>" below.
United States Selling Restrictions:	Regulation S. The Securities may not be offered, sold, resold, traded, pledged, redeemed, transferred, delivered or exercised, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person. Additional selling restrictions may apply as specified in the applicable Final Terms. The applicable Final Terms for Notes represented by a temporary global Note and a permanent global Note shall specify any applicable selling restrictions intended to qualify such Notes as "foreign targeted obligations" that will be exempt from Section 4701 of the

Internal Revenue Code of the United States pursuant to the
Hiring Incentives to Restore Employment Act of 2010.

RISK FACTORS

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

A. Risks relating to the Issuer

Factors that may affect the Issuer's ability to fulfil its obligations under the Securities issued under the Programme

Risks relating to the Issuer

There are certain factors that may affect the Issuer's ability to fulfil its obligations under Securities issued under the Programme. The Issuer's sole business is to enter into, perform and serve as a vehicle for, any transactions permitted under the Securitisation Act 2004. The Issuer finances the purchase of the Compartment Assets with the proceeds of the issue of Series of Securities. Each Series of Securities will be issued through a separate Compartment. The Issuer has, and will have, no assets that are available to Holders of Securities other than Compartment Assets or other Charged Assets acquired by it, in each case in connection with the issue of the Securities or the entry into of other obligations relating to the Programme or otherwise from time to time. Recourse of the Holders of Securities against the Issuer is limited to the funds available to the Issuer from time to time in respect of the assets designated as Compartment Assets and other Charged Assets in the Final Terms and the Issuer shall have no liability to make any payments under the Securities where such funds are not available to it. Therefore, the Holders of Securities are exposed to the risk that the Issuer will not have sufficient funds available to it to make payments owed under the Securities and will not have any further recourse against the Issuer or any other party (other than, in the case of Guaranteed Notes, Guaranteed Warrants, or Guaranteed Certificates, as applicable, the relevant Guarantor, as set out in the applicable base prospectus supplement or Final Terms, as the case may be) in such circumstances, but will suffer a corresponding loss on their investment.

Issuer's dependency upon counterparty to swap agreements, deposit agreements and repurchase agreements

The ability of the Issuer to meet its obligations under Securities issued by it may depend on the receipt by it of payments under relevant swap agreements, usually with BNP Paribas or BNP Paribas Arbitrage S.N.C., deposit agreements or repurchase agreements. Consequently, the Issuer is exposed to the ability of counterparties in respect of such swap agreements, deposit agreements and/or repurchase agreements to perform their obligations under such agreements and to the creditworthiness of such counterparties. In particular, in respect of certain Series of Securities, the Issuer may pay the issue proceeds of the Securities to the Swap Counterparty in return for the Swap Counterparty agreeing to pay all amounts due on the Securities. In such circumstances, the Swap Counterparty may or may not provide credit support for its obligations under the relevant Swap Agreement. Where the Swap Counterparty does provide credit support for its obligations, such credit support may only be in amounts which are equal to the market value (or a percentage thereof) of the Securities at that time and which, in the case of Notes, may be less than the principal amount outstanding of the Notes. The Issuer will be dependent in whole or in part on receipt of payments from the Swap Counterparty in order to meet its obligations under the Securities. Certain Notes or Certificates, as the case may be, may be subject to early redemption, and certain Warrants may be subject to cancellation, in the event that the Swap Counterparty or any affiliate incurs or would incur a materially increased cost in relation to the Swap Counterparty performing its obligations with respect to the Swap Agreement. Upon such redemption or

cancellation (as the case may be), Holders of Securities may receive less than the original amount invested in the relevant Securities. Following such redemption or cancellation, as applicable, an investor may not be able to reinvest the proceeds of such redemption or cancellation (as the case may be) on equivalent terms. Potential investors should consider reinvestment risk in light of other investments available at that time.

Total Return Swap Agreement

The Issuer may enter into a Total Return Swap Agreement in respect of any Series of Securities. In addition, for any Series of Securities in respect of which a Swap Agreement is the only Charged Asset, instead of entering into a Total Return Swap Agreement such Swap Agreement may be modified (the "**Modified Swap Agreement**") to replicate the economic effect of a Total Return Swap Agreement. If at any time the TRS Counterparty under the Total Return Swap Agreement or the Swap Counterparty under the Modified Swap Agreement holds any Securities (the "**TRS Holding**"), the Issuer will not hold Charged Assets in respect of the TRS Holding but will instead receive payments from the TRS Counterparty or the Swap Counterparty, as applicable, of amounts equal to the interest, principal and other amounts due on the TRS Holding. The ability of the Issuer to meet its obligations under the Securities will depend on the receipt by it of payments under the Total Return Swap Agreement or Swap Agreement, as applicable. Consequently, the Issuer is exposed to the ability of the TRS Counterparty or the Swap Counterparty, as applicable, to perform its obligations under the Total Return Swap Agreement or Swap Agreement and to the creditworthiness of the TRS Counterparty or Swap Counterparty. Upon a downgrade of the rating of the TRS Counterparty or Swap Counterparty, as applicable, below a certain level (as specified in the applicable Final Terms) or earlier if so specified in the applicable Final Terms, the TRS Counterparty or Swap Counterparty, as applicable, will be required to place its TRS Holding in an account over which security will be granted in favour of the Issuer. In addition, if so specified in the applicable Final Terms, the TRS Counterparty or Swap Counterparty must provide credit support for its obligations under the relevant Total Return Swap Agreement or Swap Agreement in amounts which are equal to the market value of the Securities from time to time upon a downgrade of its credit rating below a certain level.

Issuer's dependency upon Compartment Assets

The ability of the Issuer to meet its obligations under Securities issued by it may depend on the receipt by it of payments from the Compartment Assets it purchases (if any) with the proceeds of the issue of each Series of Securities. Such Compartment Assets securing the Securities may not be realisable for their full nominal value and the Noteholders, the Warrantholders and the Certificateholders (together, the "**Holders of Securities**") are therefore exposed to the risk that the Issuer will not have sufficient funds available to it to make payments owed under the Securities.

Compartments

The board of directors of the Issuer (the "**Board**") may establish one or more compartments (together the "**Compartments**" and each a "**Compartment**"), each of which is a separate and distinct part of the Issuer's estate (*patrimoine*) and which may be distinguished by the nature of acquired risks or assets and the Conditions as completed, modified and amended by the applicable Final Terms, the reference currency or other distinguishing characteristics. The Conditions of the Securities issued in respect of, and the specific objects of, each Compartment shall be determined by the Board. Each Secured Party shall be deemed to fully adhere to, and be bound by, the Conditions applicable to the Securities and the Articles of Incorporation of the Issuer (the "**Articles**").

The Issuer is established as a *société de titrisation* within the meaning of the Securitisation Act 2004 which provides that claims against the Issuer by the Secured Parties will, in principle, be limited to the net assets of the relevant series included in the relevant Compartment. In respect of any Compartment and any Security (save for any Security which is a Guaranteed Note, Guaranteed

Warrant or Guaranteed Certificate, as applicable), and following a Note Acceleration in respect of such Note, Warrant Acceleration in respect of such Warrant, or Certificate Acceleration in respect of such Certificate, as applicable, the entitlement of the holder of such Security will be limited to such Holder of Securities' *pro rata* share of the proceeds of the relevant Charged Assets applied in accordance with the Order of Priority specified in the applicable Final Terms. If, in respect of any Security, the net proceeds of the enforcement or liquidation of the relevant Charged Assets are not sufficient to make all payments due in respect of such Security, no other assets of the Issuer will be available to meet such shortfall, and the claims of the holder of such Security as against the Issuer in respect of any such shortfall shall be extinguished. Where amounts are due to be paid in priority to a Security in accordance with the Order of Priority, the net proceeds of the enforcement or liquidation of the relevant Charged Assets may not be sufficient to pay such amounts or may only be sufficient to make all such payments due in priority to such Security, in which case no amounts will be available to make payments in respect of such Security. In all cases, neither the holder of a Security nor any person on its behalf (including the Trustee) shall have the right to petition for the winding-up of the Issuer as a consequence of any shortfall. Holders of Securities, by acquiring the Securities, expressly accept, and shall be deemed to be bound by, the provisions of the Securitisation Act 2004 and, in particular, the provisions with respect to compartments, limited recourse, non-petition, subordination and priority of payments.

Each Compartment may be separately liquidated without such liquidation resulting in the liquidation of another Compartment or of the Issuer itself. As far as each Compartment is concerned and subject to any particular rights or limitations attaching to any Securities, as may be specified in the Articles or upon which such Securities may be issued including, without limitation, the relevant Conditions and the applicable Final Terms, if the net assets of a Compartment are liquidated the proceeds thereof shall be applied in the order set out in the Conditions.

As between the Secured Parties, each Compartment is deemed to comprise assets of a separate entity.

Fees, expenses and other liabilities incurred on behalf of the Issuer but which do not relate specifically to any Compartment shall be general liabilities of the Issuer and shall not be payable out of the assets of any Compartment. The Board shall ensure that creditors of such liabilities waive recourse to the assets of any Compartment. If such creditors do not waive recourse and such general liabilities cannot be otherwise funded, they shall be apportioned *pro rata* among the Compartments of the Issuer upon a decision of the Board.

The Board shall establish and maintain separate accounting records for each of the Compartments of the Issuer. The assets of each Compartment may include the proceeds of the issue of the Securities of the relevant Series, any Related Agreements, any collateral relating to such Series, any proceeds from the Related Agreements and any such collateral. The fees, costs and expenses in relation to the Securities of each Series may be allocated to the respective Compartment in accordance with the relevant Conditions.

To give effect to the provisions of the Securitisation Act 2004 and the Articles under which the Charged Assets of a Compartment are available only for the Secured Parties for the relevant Series relating to that Compartment, the Issuer will contract with parties for the account of the relevant Compartment and on a "limited recourse" basis such that claims against the Issuer in relation to each Series would be restricted to the Charged Assets of the Compartment for the relevant Series.

Issuer (acting through the relevant Compartment) the sole party liable under the Securities

The Securities will be contractual obligations of the Issuer solely in respect of the relevant Compartment of the Issuer. The fulfilment of the Issuer's obligations under the Securities are not guaranteed by any third party save for any Note which is a Guaranteed Note, any Warrant which is a Guaranteed Warrant, or any Certificate which is a Guaranteed Certificate, as applicable. Consequently, Holders of Securities have no right of recourse against any such third parties. In

connection with the above it should also be noted that, pursuant to the Securitisation Act 2004, where individual Compartment Assets are insufficient for the purpose of meeting the Issuer's obligations under the relevant issue of Securities, it will not be possible for the Noteholders of that issue to obtain satisfaction of the debt owed to them by the Issuer from assets belonging to another Compartment or, in the case of Warrantholders and Certificateholders, to obtain payment of the amount owed to them by the Issuer from assets belonging to another Compartment. Accordingly, to the extent Compartment Assets are insufficient, the Holders of Securities risk not being able to receive any amounts in respect of their investment or losing the value of their initial investment.

Insolvency of the Issuer

Although the Issuer will contract on a "limited recourse" basis as noted above, it cannot be excluded as a risk that the Issuer's assets (that is, its aggregate Compartment Assets plus any other assets it may possess) will become subject to insolvency proceedings. The Issuer is a public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg and managed by its Board. Accordingly, insolvency proceedings with respect to the Issuer would likely proceed under, and be governed by, the insolvency laws of Luxembourg.

Under Luxembourg law, a company is insolvent (*en faillite*) when it is unable to meet its current liabilities and when its creditworthiness is impaired. The Issuer can be declared bankrupt upon petition by a creditor of the Issuer or at the initiative of the court or at the request of the Issuer in accordance with the relevant provisions of Luxembourg insolvency law. If granted, the Luxembourg court will appoint a bankruptcy trustee (*curateur*) who shall be obliged to take such action as he deems to be in the best interests of the Issuer and of all creditors of the Issuer. Certain preferred creditors of the Issuer (including the Luxembourg tax authorities) may have a priority that ranks senior to the rights of the Secured Parties (including Holders of Securities) in such circumstances. Other insolvency proceedings under Luxembourg law include controlled management and moratorium of payments (*gestion contrôlée et sursis de paiement*) of the Issuer, composition proceedings (*concordat*) and judicial liquidation proceedings (*liquidation judiciaire*).

In the event of such insolvency proceedings taking place, Holders of Securities bear the risk of a delay in the settlement of any claims they might have against the Issuer or receiving, in respect of their claims, the residual amount following realisation of the Issuer's assets after preferred creditors have been paid, with the result that they may lose their initial investment.

Consequences of insolvency proceedings

If the Issuer fails for any reason to meet its obligations or liabilities (that is, if the Issuer is unable to pay its debts and may obtain no further credit), a creditor, who has not (and cannot be deemed to have) accepted non petition and limited recourse provisions in respect of the Issuer, will be entitled to make an application for the commencement of insolvency proceedings against the Issuer. In that case, such creditor would, however, not have recourse to the assets of any Compartment (in the case that the Issuer has created one or more Compartments) but would have to exercise its rights on the general assets of the Issuer unless its rights would arise in connection with the "creation, operation or liquidation" of a Compartment, in which case, the creditor would have recourse to the assets allocated to that Compartment but he would not have recourse to the assets of any other Compartment. Furthermore, the commencement of such proceedings may in certain conditions, entitle creditors (including the relevant counterparties) to terminate contracts with the Issuer (including Related Agreements) and claim damages for any loss created by such early termination. The Issuer will seek to contract only with parties who agree not to make application for the commencement of winding-up, liquidation and bankruptcy or similar proceedings against the Issuer. Legal proceedings initiated against the Issuer in breach of these provisions shall, in principle, be declared inadmissible by a Luxembourg court.

Custody Arrangements

Compartment Assets (together with any related Compartment Security) will be held by the Custodian on behalf of the Issuer pursuant to the Agency Agreement (as defined in Condition 8(b)(i) of the "*Terms and Conditions of the Notes*", Condition 9(b)(i) of "*Terms and Conditions of the Warrants*" and Condition 9(b)(i) of the "*Terms and Conditions of the Certificates*"). Assets held by the Custodian may not be immediately available to investors upon the bankruptcy of the Custodian and certain classes of creditors having general rights of preference stipulated by Luxembourg law, such as preference rights for judicial fees (including the fees and costs of a receiver/liquidator), unpaid salaries and various tax, excise and social security contributions, may take preference over secured creditors in bankruptcy proceedings. In circumstances where a charge under English law is expressed to be taken over the Compartment Assets and the Compartment Assets are held by or through the Custodian through a clearing system or where the Compartment Assets are held outside England and Wales, any security over the Compartment Assets will take the form of an assignment by way of security of the Issuer's rights against the Custodian under the Agency Agreement to the extent that such rights relate to the Compartment Assets, rather than a charge over the Compartment Assets themselves.

In addition, in respect of certain Series of Securities, the collateral provided by the Swap Counterparty as credit support for its obligations may be held not by the Custodian but by another bank or institution as specified in the applicable Final Terms. Investors in such Securities are exposed to the credit risk of such entity, such collateral may not be immediately available to investors upon the bankruptcy of such entity and other creditors of such entity may take preference as secured creditors in bankruptcy proceedings.

Change in tax law

On 18 March 2010, the U.S. Hiring Incentives to Restore Employment Act (the "**HIRE Act**") was enacted that contains provisions from the former Foreign Account Tax Compliance Act of 2009 (the "**FATCA**") that could require a 30 per cent. U.S. withholding tax to be imposed (i) on payments to holders of Notes or Certificates with respect to interest, dividends and sales proceeds from certain U.S. assets held by the Issuer or (ii) on payments to the Issuer with respect to interest, dividends and sales proceeds from certain U.S. assets held by the Issuer. This 30 per cent. U.S. withholding tax, which generally is not refundable, could arise if (a) the Issuer does not enter into an agreement with the U.S. Internal Revenue Service (the "**IRS Agreement**") to obtain and report information about the holders of Notes or Certificates or fails to comply with the IRS Agreement, or (b) any particular holder of Notes or Certificates, as the case may be, fails to provide certain required information. If FATCA applies to the Issuer, the resultant U.S. withholding tax generally would apply to reduce assets of the Issuer and thus the withholding tax could be borne by all holders of Notes or Certificates, whether or not a particular holder failed to comply with the FATCA requirements. It is also possible the terms of the Notes or Certificates will be amended to provide that any U.S. withholding tax arising under FATCA will be allocated to a holder of Notes or Certificates, as the case may be, who fails to comply with the requirements of FATCA. FATCA is applicable to payments made after 31 December 2012, and generally does not apply to payments with respect to obligations outstanding on or before 31 December 2012.

The Dodd-Frank Wall Street Reform and Consumer Protection Act

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank**"), which provides for substantial changes to the regulation of the futures and over-the-counter ("**OTC**") derivative markets, was enacted in July 2010. Dodd-Frank requires regulators, including the U.S. Commodity Futures Trading Commission ("**CFTC**"), to adopt regulations in order to implement many of the requirements of the legislation. In addition, final regulations defining the terms "swap" and "securities-based swaps" have not been adopted and it is not possible to conclude that the Warrants or Certificates will not be deemed to "swaps" or "securities-based swaps" under Dodd-Frank and regulated as such. While the CFTC has proposed certain of the required regulations and

has begun adopting certain final regulations, the ultimate nature and scope of the regulations cannot yet be determined. Under Dodd-Frank, the CFTC has approved a final rule to impose limits on the size of positions that can be held by market participants in futures and OTC derivatives. While the precise scope and effect of the final rule is not yet known, these limits will likely restrict the ability of market participants to participate in the commodity, future and swap markets and markets for other OTC derivatives to the extent and at the levels that they have in the past. These factors may have the effect of reducing liquidity and increasing costs in these markets as well as affecting the structure of the markets in other ways. In addition, these legislative and regulatory changes will likely increase the level of regulation of markets and market participants, and therefore the costs of participating in the commodities, futures and OTC derivative markets. Without limitation, these changes will require many OTC derivative transactions to be executed on regulated exchanges or trading platforms and cleared through regulated clearing houses. Swap dealers will also be required to be registered and will be subject to various regulatory requirements, including capital and margin requirements. The various legislative and regulatory changes, and the resulting increased costs and regulatory oversight requirements, could result in market participants being required to, or deciding to, limit their trading activities, which could cause reductions in market liquidity and increases in market volatility. These consequences could adversely affect the return on and value of the Securities.

Given that the full scope and consequences of the enactment of Dodd-Frank and the rules still to be enacted thereunder are not yet known, investors are urged to consult their own advisors regarding the suitability of an investment in any Securities under the Programme.

Further, the Issuer could be required to register as a commodity pool operator and to register one or more Series as commodity pools with the CFTC through the National Futures Association. Such additional registrations may result in increased reporting obligations and also in extraordinary, non-recurring expenses of the Issuer thereby materially and adversely impacting a Security's value.

In addition, other regulatory bodies have proposed or may propose in the future legislation similar to that proposed by Dodd-Frank or other legislation containing other restrictions that could adversely impact the liquidity of and increase costs of entering into derivatives transaction. For example, the European Commission recently published a proposal to update the Markets in Financial Instruments Directive and Markets in Financial Instruments Regulation, which proposes regulations to establish position limits (or an alternative equivalent) on trading derivatives, although the scope of any final rules and the degree to which Member States will be required or permitted to adopt these regulations or additional regulations remains unclear. If these regulations are adopted or other regulations are adopted in the future, they could have an adverse impact on the return on and value of the Securities.

B. Risks relating to Securities

General

Limitations on recourse and rights with respect to underlyings

There are certain factors which are material for the purpose of assessing the risks associated with an investment in Securities issued under the Programme. Such factors will vary depending on the type of Securities issued, in particular in relation to Notes ("**Underlying Reference Linked Notes**"), or Certificates ("**Underlying Reference Linked Certificates**") the interest and/or redemption amount of which or, in relation to Warrants ("**Underlying Reference Linked Warrants**" and, together with Underlying Reference Linked Notes and Underlying Reference Linked Certificates, "**Underlying Reference Linked Securities**"), the settlement amount of which, is linked to the value of one or more index, share, inflation index, commodity, unit, interest or share in a fund, the credit of one or more reference entity, interests in exchange traded funds, exchange traded notes, exchange traded commodities or other exchange traded products (each, an

"**exchange traded instrument**") or the combination of any of the foregoing or such other underlying or basis of reference (each an "**Underlying Reference**").

In addition to the factors set out in this section "*B. Risks Relating to Securities*", Holders of Securities should be aware that the ability of the Issuer to meet its obligations under the relevant Securities issued by it may depend on the receipt by it of payments from the Compartment Assets it purchases (if any) with the proceeds of the issue of each Series of Securities and/or on the receipt by it of payments under relevant swap agreements, usually with BNP Paribas or BNP Paribas Arbitrage S.N.C., deposit agreements or repurchase agreements notwithstanding the performance of any relevant Underlying Reference. The Holders of Securities are therefore exposed to the risk that the Issuer will not have sufficient funds available to it to make payments owed under, or due in respect of, the Securities. See section "*A. Risks relating to the Issuer*" above for further details of such risks.

Claims against the Underlying Reference

The Securities do not represent a claim against any Underlying Reference (or any issuer, sponsor, manager or other connected person in respect of an Underlying Reference) and Holders of Securities will not have any right of recourse under the Securities to any such Underlying Reference (or any issuer, sponsor, manager or other connected person in respect of an Underlying Reference). The Securities are not in any way sponsored, endorsed or promoted by any issuer, sponsor, manager or other connected person in respect of any Underlying Reference and such entities have no obligation to take into account the consequences of their actions on any Holders of Securities.

Risks associated with product structure

Once the proceeds of the issue of the Securities have been invested in the Charged Assets with respect to a particular Compartment, such Charged Assets (including, without limitation, assets such as hedging agreements, deposits, repurchase agreements and debt securities) will constitute the only source of funds available to the Issuer for the satisfaction of its pre-enforcement obligations under the relevant Securities and the relevant Related Agreements (if any). Accordingly, if such Charged Assets do not generate sufficient cashflows, either (dependent on the terms applicable to the relevant Securities):

- (i) an Early Redemption Event under the relevant Notes or Certificates or an Early Termination Event under the relevant Warrants may occur, which, in turn, may lead to the realisation of the Charged Assets by the Disposal Agent; or
- (ii) an Event of Default may occur under the relevant Securities, which, in turn, may lead to the enforcement and liquidation of the relevant Charged Assets by the Trustee (or its appointee under the Trust Deed).

The Trustee is not obliged to take any action unless it has been indemnified and/or secured to its satisfaction against any liability it may incur. The proceeds of any such enforcement and liquidation, or realisation, as the case may be, (net of any costs, including the costs of enforcement and liquidation) may not be sufficient to meet the claims of the Secured Parties (including the relevant Holders of Securities) with respect to the relevant Compartment. As more fully described below, save in the case of Guaranteed Securities, claims against the Issuer by the Holders of Securities of a particular Series and each other Secured Party in respect of any Compartment will be limited to the relevant Charged Assets.

In addition, the Issuer may issue Securities the redemption amount or settlement amount (as the case may be) of which is limited to the liquidation proceeds of the Charged Assets of the Compartment relating to such Securities. The proceeds of any such liquidation (net of any costs,

including the costs of liquidation) may not be sufficient to meet the claims of the Secured Parties (including the relevant Holders of Securities) with respect to the relevant Compartment.

Accrued but unpaid amounts

Investors should be aware that they may lose the value of their entire investment (together with, in addition to such investment, any amounts which may have accrued on such investment but which have not been paid, if applicable) or part of it, as the case may be, and/or, if the investor's liability is not limited to the value of his investment (such as where the investor may lose, in addition to such investment, any amounts which may have accrued on such investment but which have not been paid, if applicable). The circumstances in which such liability may arise (and the likely financial effects thereof) will depend on the specific terms of a particular issue of Securities, as set out in the applicable Final Terms.

Securities subject to optional redemption by the Issuer

An optional redemption or cancellation feature of Securities, as applicable, is likely to limit their market value. During any period when the Issuer may elect to redeem Notes or Certificates or cancel Warrants, the market value of those Securities generally will not rise substantially above the price at which they can be redeemed or settled (as the case may be). This also may be true prior to any redemption or cancellation period.

When Notes are redeemed prior to their stated Maturity Date, Warrants are cancelled prior to their stated Expiration Date or Certificates are redeemed prior to their stated Redemption Date, an investor may not be able to reinvest the proceeds from such redemption or cancellation (as the case may be) on equivalent terms. Potential investors should consider reinvestment risk in light of other investments available at that time.

Potential Conflicts of Interest

Certain entities within the Group (including, if applicable, any Dealer) may also engage in trading activities (including hedging activities) relating to the Underlying Reference and other instruments or derivative products based on or relating to the Underlying Reference of any Securities for their proprietary accounts or for other accounts under their management. BNP Paribas and its affiliates (including, if applicable, any Dealer) may also issue other derivative instruments in respect of the Underlying Reference. BNP Paribas and its affiliates (including, if applicable, any Dealer) may also act as underwriter in connection with future offerings of shares or other securities relating to an issue of Securities or may act as financial adviser to certain companies or companies whose shares or other securities are included in a basket or in a commercial banking capacity for such companies. In addition BNP Paribas and its affiliates (including, if applicable, any Dealer) may act in a number of different capacities in relation to an underlying index, including, but not limited to, issuer of the constituents of the index, index sponsor and/or calculation agent. Such activities could present certain conflicts of interest, could influence the prices of such shares or other securities and could adversely affect the value of such Securities.

The Calculation Agent may be the Swap Counterparty or an affiliate of the Swap Counterparty and consequently, potential conflicts of interest may exist between the Calculation Agent and the relevant Holders of Securities, including with respect to certain determinations and judgments that the Calculation Agent must make, including whether a Market Disruption Event, a Settlement Disruption Event, a Custom Index Adjustment Event or Credit Event (each, as defined below) has occurred. The Calculation Agent is obliged to carry out its duties and functions as Calculation Agent in good faith and using its reasonable judgment (unless otherwise specified in the Final Terms) or the relevant terms and conditions of the Securities. Furthermore, the Calculation Agent will not act as a fiduciary or as an advisor to the relevant Holders of Securities in respect of its duties as Calculation Agent.

Swap Counterparty as Instructing Party

Where "Swap Counterparty Priority" is stated as being applicable in the applicable Final Terms, the Swap Counterparty will (unless it is the Defaulting Party under, and as defined in, the relevant Swap Agreement) be the Instructing Party, and will have certain rights to direct the Trustee on certain matters, including the ability to instruct the Trustee to enforce the Security in certain circumstances, notwithstanding that the relevant Holders of Securities have not voted in respect of such matters. In these circumstances, there can be no assurance that the Swap Counterparty will act in the interests of such Holders of Securities. The Swap Counterparty has no obligation or liability to, and shall not be obliged to have regard to the interests of, the Holders of Securities in relation to any such directions.

Modification

The conditions of the Securities contain provisions for calling meetings of the relevant Holders of Securities to consider matters affecting their interests generally. These provisions permit defined majorities to bind all such Holders of Securities including those who did not attend and vote at the relevant meeting and those who voted in a manner contrary to the majority.

Trustee and enforcement

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Secured Parties (including Holders of Securities). The Trustee is not obliged to take any such action without first being indemnified and/or secured to its satisfaction. The Trustee is not responsible for ensuring that the Issuer's obligations (or the security interest created by the Issuer) are valid and enforceable.

Change in law

The conditions of the Securities are based on relevant laws in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such laws or administrative practices after the date of this Base Prospectus.

Transfer restrictions

The Securities may be subject to certain transfer restrictions. Such restrictions on transfer may limit the liquidity of such Securities. Consequently, a purchaser must be prepared to hold such Securities for an indefinite period of time and potentially until their maturity or expiration, as applicable.

Securities issued linked to certain events

The interest rate or redemption amount of certain Notes or Certificates, as the case may be, or the settlement amount or Entitlement of certain Warrants may be linked to the occurrence or non-occurrence of certain events which are not connected with the Issuer or any Guarantor (if applicable) such as credit, price levels or index levels. The occurrence of such events is beyond the control of the Issuer and the Guarantor (if applicable), and Holders of Securities are exposed to the risk of such event occurring or not, as the case may be.

Risks relating to deposits

In respect of certain Series of Securities, the Issuer may deposit some or all of the proceeds of the issue of the Securities in a bank account pursuant to a deposit agreement entered into between the Issuer and such entity as is specified in the applicable Final Terms (the "**Deposit Counterparty**"). In such circumstances, the Issuer will be dependent in whole or in part on receipt of payments from the Deposit Counterparty in order to meet its obligations under such Securities. Consequently, the Issuer will rely on the full and timely performance by the Deposit Counterparty of its obligations

under the relevant deposit agreement, and will be exposed to the creditworthiness of such Deposit Counterparty.

Ranking and Guarantee of Securities

The Securities are unsubordinated obligations of the Issuer and will rank pari passu with themselves. Each issue of Securities issued by the Issuer may or may not be guaranteed.

Possible Illiquidity of the Securities in the Secondary Market

It is very difficult to predict the price at which Securities will trade in the secondary market or whether such market will be liquid or illiquid. The Issuer may, but is not obliged to, list Securities on a stock exchange. Also, to the extent the relevant Securities of a particular issue are exercised, redeemed or cancelled (as the case may be), the number of Securities of such issue outstanding will decrease, resulting in a diminished liquidity for the remaining Securities of such issue. A decrease in the liquidity of an issue of Securities may cause, in turn, an increase in the volatility associated with the price of such issue of Securities. A lack of liquidity for the Securities may mean that investors are not able to sell their Securities or may not be able to sell their Securities at a price which they paid for them and consequently investors may suffer a partial or total loss of the amount of their investment.

The Issuer and any Dealer may, but is not so obliged, at any time purchase Securities at any price in the open market or by tender or private offer/treaty. Any Securities so purchased may be held or resold or surrendered for cancellation as further described herein. A Dealer may, but is not obliged to, be a market-maker for an issue of Securities and may cease to do so at any time. Even if a Dealer is a market-maker for an issue of Securities, the secondary market for such Securities may be limited. In addition, affiliates of any Guarantor (if applicable) (including the relevant Dealer as referred to above) may purchase Securities at the time of their initial distribution and from time to time thereafter. There may be no secondary market for the Securities and to the extent that an issue of Securities is or becomes illiquid, an investor may have to hold such Securities until maturity (in the case of Notes or Certificates, as the case may be) or exercise such Securities (in the case of Warrants), as applicable, to realise greater value than their then trading value.

Minimum Trading Amount

Investors should note that the Securities may have a minimum trading amount. The minimum trading amount (if any) will be specified in the applicable Final Terms. In such cases, if, following the transfer of any Securities, the relevant Holder of Securities holds fewer Warrants or Certificates or a lesser principal amount of Notes (as applicable) than the specified minimum trading amount, such Holder of Securities will not be permitted to transfer their remaining Securities prior to expiration or maturity (as the case may be), without first purchasing enough additional Securities in order to hold the minimum trading amount.

Redemption or Cancellation of Securities (as applicable) in the Event of Illegality or Impracticability

If the Issuer determines that the performance of its obligations under the relevant Securities has become illegal or impracticable in whole or in part for any reason, the Issuer may redeem Notes or Certificates or cancel Warrants (as applicable) by paying to each Holder of Securities the aggregate fair market value of such Securities less the cost to the Swap Counterparty and/or its Affiliates of unwinding any underlying related hedging arrangements. Such cancellation may result in an investor not realising a return on an investment in such Securities.

Post-issuance Information

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

A Security's purchase price may not reflect its inherent value

Prospective investors in the Securities should be aware that the purchase price of a Security does not necessarily reflect its inherent value. Any difference between a Security's purchase price and its inherent value may be due to a number of different factors including, without limitation, prevailing market conditions and fees, discounts or commissions paid or accorded to the various parties involved in structuring and/or distributing the Security. For further information prospective investors should refer to the party from whom they are purchasing the Security. Prospective investors may also wish to seek an independent valuation of a Security prior to its purchase.

The Cash Settlement Amount or the physical delivery of the Entitlement may be less than the value of an investment in the Security

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

Certain Considerations Regarding Purchasing Securities as Hedges

Prospective purchasers intending to purchase Securities to hedge against the market risk associated with investing in the Underlying Reference which may be specified in the applicable Final Terms should recognise the complexities of utilising Securities in this manner. For example, the value of the Securities may not exactly correlate with the value of the Underlying Reference which may be specified in the applicable Final Terms. Due to fluctuating supply and demand for the Securities, there is no assurance that their value will correlate with movements of the Underlying Reference which may be specified in the applicable Final Terms. For these reasons, among others, it may not be possible to purchase or liquidate securities in a portfolio at the prices used to calculate the value of any relevant Underlying Reference. In addition, in certain cases, the ability of Holder of the Securities to use Securities for hedging may be restricted by the provisions of the U.S. Securities Act of 1933, as amended.

Credit Ratings may not Reflect all Risks

One or more independent credit rating agencies may assign credit ratings to the Securities. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings will be disclosed in the applicable Final Terms.

Risk of Leveraged Exposure

Leverage involves the use of a number of financial techniques to increase the exposure to an Underlying Reference, and can therefore magnify both returns and losses. While the use of leverage allows for potential multiples of a return (assuming a return is achieved) when the Underlying Reference moves in the anticipated direction, it will conversely magnify losses when the Underlying Reference moves against expectations. If the leverage is negative, the maximum loss for investors will be the amount of their initial investment in the Securities. If the relevant Securities include leverage, potential Holder of the Securities should note that these Securities will involve a higher level of risk, and that whenever there are losses such losses may be higher than those of a similar security which is not leveraged. Investors should therefore only invest in leveraged Securities if they fully understand the effects of leverage.

Market and Other Risks

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Securities may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Securities easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Securities that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Securities generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Securities. The provision of a secondary market by any market participant may not alleviate these risks.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest, in the case of Notes, or the cash settlement amount (where applicable), in the case of Warrants, or the cash settlement amount, instalment amount and interest (where applicable) in the case of Certificates, in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Securities, (2) the Investor's Currency-equivalent value of the principal or cash settlement amount payable (as applicable) in respect of the Securities and (3) the Investor's Currency-equivalent market value of the Securities.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive, in the case of Notes, less interest or principal than expected, or no interest or principal or, in the case of Warrants, a lower cash settlement amount than expected, or no cash settlement amount at all or, in the case of Certificates, less interest, a lower instalment amount or a lower cash settlement amount than expected, or no interest, instalment amount or cash settlement amount at all.

Investment considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal, tax, accountancy and other advisers to determine whether and to what extent (i) it is permitted by law and regulation to invest in Securities, (ii) Securities may be used as collateral for various types of borrowing, and (iii) other restrictions, including but not limited to accountancy, solvency and liquidity, apply to its purchase or pledge of any Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Securities under any applicable risk-based capital or similar rules.

Risks related to the structure of a particular issue of Securities

Risks relating to Underlying Reference Linked Securities

Investments in Underlying Reference Linked Securities entail significant risks and may not be appropriate for investors lacking financial expertise. Prospective investors should consult their own financial, tax and legal advisers as to the risks entailed by an investment in such Securities and the suitability of such Securities in light of their particular circumstances and ensure that their acquisition is fully consistent with their financial needs and investment policies, is lawful under the laws of the jurisdiction of their incorporation and/or in which they operate, and is a suitable investment for them to make. The Issuer believes that such Securities should only be purchased by investors that are in a position to understand the special risks that an investment in these instruments involves, in particular relating to options and derivatives and related transactions, and should be prepared to sustain a total loss of the purchase price of their Securities.

Underlying Reference Linked Securities are securities which do not provide for predetermined redemption amounts and/or interest payments (in the case of Notes) or settlement amounts or Entitlement (in the case of Warrants) or settlement amounts or Entitlement and/or instalment amounts or interest payable, as applicable, (in the case of Certificates) but amounts payable (whether in respect of principal, interest, and or instalment amounts, and or settlement, as the case may be) or deliverable will be dependent upon the performance of the Underlying References which themselves may contain substantial credit, equity, funds, correlation, volatility, commodity interest rate, foreign exchange, time value, political and/or other risks.

An investment in Underlying Reference Linked Securities therefore entails significant risks that are not associated with similar investments in a conventional fixed or floating rate debt security. These risks include, among other things, the possibility that:

- the Underlying Reference may be subject to significant changes, whether due to the composition of any such Underlying Reference itself, or because of fluctuations in value of the Underlying Reference;
- the resulting returns or interest rate (where applicable) will be less (or may be more) than that payable on a conventional debt security issued by the Issuer at the same time;
- the holder of an Underlying Reference Linked Note could lose all or a substantial portion of the principal of such Note (whether payable at maturity or upon redemption or repayment), and, if the principal is lost, interest, or any other return on principal, may cease to be payable on such Note;
- any Underlying Reference Linked Warrants held by the relevant Warrantholder may expire worthless or amounts payable on settlement (whether on the cash settlement date or upon earlier cancellation) may be significantly less than the purchase price paid by such Warrantholder;

- any Underlying Reference Linked Certificates held by the relevant Certificateholder may be worthless upon redemption or amounts payable on redemption (whether on maturity or upon earlier repayment) may be significantly less than the purchase price paid by such Certificateholder and any interest or instalment amounts (as applicable) may cease to be payable on such Certificate;
- any Security that is linked to more than one type of Underlying Reference, or to formulae that encompass the risks associated with more than one type of Underlying Reference, may carry levels of risk that are greater than Securities that are linked to one type of Underlying Reference only;
- it may not be possible for investors to hedge their exposure to these various risks relating to Underlying Reference Linked Securities;
- a significant market disruption could mean that any Underlying Reference ceases to exist;
- each Holder of Securities may receive an amount on redemption, settlement or cancellation (as the case may be) and/or physical delivery of securities together with cash for roundings in respect of any Underlying Reference Linked Notes or Underlying Reference Linked Certificates, as the case may be, and the amount payable on redemption, settlement or cancellation (as the case may be) and/or the aggregate value of securities physically delivered and cash may be significantly less than the value of the relevant Holder of Securities' investment in such Securities or the amount of such investment; and
- in the case of any Securities exposed to the performance of a basket of Underlying References, the assets so delivered under the terms of such Securities may relate to, or the cash redemption or settlement amount (as the case may be) may be calculated by reference to, the worst performing Underlying Reference or any other formula specified in the applicable Final Terms.

In addition, the value of Underlying Reference Linked Securities on the secondary market is subject to greater levels of risk than is the value of other Securities and the market price of such Securities may be very volatile or there may even be no (or a very limited) secondary market. The secondary market, if any, for Underlying Reference Linked Securities will be affected by a number of factors, independent of the creditworthiness of the Issuer and/or any Guarantor (if applicable), including (but not limited to) the creditworthiness of any reference entity, the value of the applicable Underlying Reference, the volatility of the Underlying Reference, the time remaining to the maturity, in the case of Notes and Certificates or the expiry, in the case of Warrants, the amount outstanding (in the case of Notes and Certificates) and market interest rates. The value of the applicable Underlying Reference depends on a number of interrelated factors, including economic, financial and political events, over which the Issuer has no control.

Additionally, if the formula used to determine the amount of principal, premium, instalment amounts, interest, settlement amount or Entitlement payable or deliverable, as applicable, with respect to Underlying Reference Linked Notes and Underlying Reference Linked Certificates, or the settlement amount or Entitlement with respect to Underlying Reference Linked Warrants contains a weighting or leverage factor, the effect of any change in the Underlying Reference will be increased. The historical experience of the Underlying Reference should not be taken as an indication of future performance of such Underlying Reference during the term of any such Security.

Additionally, there may be regulatory and other ramifications associated with the ownership by certain investors of certain Underlying Reference Linked Securities.

None of the Issuer, BNP Paribas and its respective affiliates, the Trustee, the Dealer and any Guarantor (if applicable) and its respective affiliates provide any advice with respect to any

Underlying Reference nor make any representation as to its quality, credit or otherwise, and investors in the relevant Securities must rely on their own sources of analysis, including credit analysis with respect to any Underlying Reference.

The risks reflect the nature of such a Security as an asset which may become worthless when redeemed (in the case of Notes and Certificates) or during the exercise period or on the Expiration Date (in the case of Warrants). The risk of the loss of some or all of the purchase price of an Underlying Reference Linked Note upon redemption or the risk of an Underlying Reference Linked Warrant or an Underlying Reference Linked Certificate, as the case may be, becoming or expiring worthless means that, in order to recover and realise a return upon its investment, a purchaser of such Security must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the relevant Underlying Reference.

Risks relating to Index Linked Securities

The Issuer may issue Securities where the amount of principal and/or interest payable or deliverable (in the case of Notes) or the Entitlement or settlement amount and/or the instalment amount and/or interest payable (in the case of Certificates) or the Entitlement or settlement amount (in the case of Warrants) are dependent upon the level of an index or indices ("**Index Linked Notes**", "**Index Linked Warrants**" and "**Index Linked Certificates**" respectively, and together, "**Index Linked Securities**").

Potential investors in any such Securities should be aware that depending on the terms of the Index Linked Securities (a) in the case of Index Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest or delivery of the Entitlement may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment; (b) in the case of Index Linked Warrants (i) payment of any cash settlement amount or delivery of the Entitlement may be significantly less than anticipated or may occur at a different time than expected and (ii) such Warrants may expire worthless and the investor may lose all or a substantial portion of their investment; and (c) in the case of Index Linked Certificates (i) they may receive no or a limited amount of interest, (ii) payment of any cash settlement amount or delivery of the Entitlement or payment of any instalment amount or interest may be significantly less than anticipated or may occur at a different time than expected and (iii) the Certificates may be worthless upon redemption and the investor may lose all or a substantial portion of their investment. In addition, the movements in the level of an index or indices may be subject to significant fluctuations that may or may not correlate with other indices, changes in interest rates or currencies and the timing of changes in the relevant level of the index or indices may affect the actual yield to investors, even if the average level is consistent with their expectations.

If the amount of principal and/or interest payable (in the case of Notes) or the Entitlement or settlement amount and/or the instalment amount and/or interest payable (in the case of Certificates) or the Entitlement or settlement amount (in the case of Warrants) is dependent upon movements in currency exchange rates and are determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the level of the index or the indices on principal or interest or the instalment amount payable or the settlement amount or Entitlement (as the case may be) will be magnified.

The market price of such Securities may be volatile and may depend on the time remaining to the redemption date or expiration date (as applicable) and the volatility of the level of the index or indices. The level of the index or indices may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which any securities comprising the index or indices may be traded. The index may reference equities, bonds or other securities or it may be a property index referencing certain property price data which will be subject to market price fluctuations. A property index may include valuations only and not actual transactions and the property data sources used to compile the index may be subject to change, which may adversely affect the return on the Securities.

An investment in Index Linked Notes, Index Linked Warrants or Index Linked Certificates linked to a custom index ("**Custom Index Linked Notes**", "**Custom Index Linked Warrants**" or "**Custom Index Linked Certificates**" respectively, and together "**Custom Index Linked Securities**") will entail significant risks not associated with an investment in a conventional debt security. On an interest payment date or on maturity, as the case may be, of Custom Index Linked Notes, Noteholders will receive an amount (if any) determined by reference to the value of the underlying custom index/custom indices. On the exercise date of Custom Index Linked Warrants, Warrantholders will receive an amount or Entitlement (if any) determined by reference to the value of the underlying custom index/custom indices. On an interest payment date or on the exercise date, as the case may be, of Custom Index Linked Certificates, the Certificateholders will receive an amount or Entitlement, as applicable (if any) determined by reference to the value of the underlying custom index/custom indices. Such custom index may be an index established, sponsored and/or calculated by the Swap Counterparty and/or its affiliates or another entity which may not be widely published or available. The custom index may reference equities, bonds, indices, rates, commodities, funds or other securities, it may be a property index referencing certain property price data which will be subject to market price fluctuations or even a combination of all or some of the foregoing.

Pursuant to the operational rules of the relevant custom index/custom indices, the custom index/custom indices generally are scheduled to be calculated on each weekday. In the event that one of the levels/values/prices of a component included in the custom index/custom indices is not available for any reason on any weekday (i.e., either because it is a non-scheduled trading day in respect of that index component or that index component is subject to a market disruption or otherwise) (a "**Disrupted Day**") then the calculation agent of the custom index/custom indices may, but is not obliged to, calculate the level of the custom index/custom indices on that day by taking a level/value/price for the affected index component from the preceding day on which a level for such affected index component was available.

For the avoidance of doubt, the Swap Counterparty and/or its affiliates may not be able to trade on and hedge its obligations in respect of the custom index/custom indices under the relevant Swap Agreement and or other underlying hedging arrangements notwithstanding the calculation agent of the custom index/custom indices has calculated and published a level in respect of such day. In the event that the strike date or initial calculation date (as the case may be) or any other valuation or observation date is a Disrupted Day for the custom index/custom indices, the strike date, initial calculation date or relevant valuation or observation date, as the case may be, shall be the first succeeding day on which the Swap Counterparty and/or its affiliates is able to trade on and hedge its obligations in respect of the custom index/custom indices subject to a specified maximum days of disruption, as more fully set out in the terms and conditions of the relevant Securities.

Where the Underlying Reference is a custom index and a custom index adjustment event (as described in the terms and conditions of the relevant Securities) occurs, the Calculation Agent may make such adjustments as it determines appropriate to the terms of such Securities (including substituting a custom index with another custom index with a similar strategy as the original custom index) or notify the Issuer that it has not determined any appropriate adjustment, following which the Issuer will redeem (in the case of Notes and Certificates) or cancel (in the case of Warrants) such Securities. In making such adjustment or determination, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar adjustment or other determination made in respect of any applicable Swap Agreement in relation to such custom index adjustment event. Such action may have an adverse effect on the value and liquidity of the affected Custom Index Linked Securities.

Risks relating to Share Linked Securities

The Issuer may issue Securities where the amount of principal and/or interest payable (in the case of Notes) or the Entitlement or settlement amount and/or the instalment amount and/or interest

payable (in the case of Certificates) or the Entitlement or settlement amount (in the case of Warrants) are dependent upon the price of, or changes in the price of, shares, GDRs and/or ADRs or a basket of shares, GDRs and/or ADRs or where the Issuer's obligation on redemption or settlement (as the case may be) is to deliver a specified number of shares, GDRs and/or ADRs ("**Share Linked Notes**", "**Share Linked Certificates**" and "**Share Linked Warrants**" respectively and together "**Share Linked Securities**"). Accordingly an investment in Share Linked Securities may bear similar market risks to a direct equity investment and potential investors should take advice accordingly.

Potential investors in any such Securities should be aware that, depending on the terms of the Share Linked Securities, (a) in the case of Share Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment and (b) in the case of Share Linked Warrants (i) payment of any cash settlement amount or delivery of the Entitlement may be significantly less than anticipated or may occur at a different time than expected and (ii) such Warrants may expire worthless and the investor may lose all or a substantial portion of their investment and (c) in the case of Share Linked Certificates (i) they may receive no or a limited amount of interest, (ii) payment of any cash settlement amount or delivery of the Entitlement or payment of any instalment amount or interest may be significantly less than anticipated or may occur at a different time than expected and (iii) the Certificates may be worthless upon redemption and the investor may lose all or a substantial portion of their investment. In addition, the movements in the price of a share or basket of shares may be subject to significant fluctuations that may or may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the share or shares may affect the actual yield to investors, even if the average level is consistent with their expectations.

If the amount of principal and/or interest payable (in the case of Notes) or the Entitlement or settlement amount and/or the instalment amount and/or interest payable (in the case of Certificates) or the Entitlement or settlement amount (in the case of Warrants) is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the share or shares, GDR or GDRs and/or ADR or ADRs on principal or interest or the instalment amount payable or the settlement amount or Entitlement (as the case may be) will be magnified.

The market price of such Securities may be volatile and may be affected by the time remaining to the redemption date or expiration date (as applicable), the volatility of the share or shares, GDR or GDRs and/or ADR or ADRs, the dividend rate (if any) and the financial results and prospects of the issuer or issuers (or the underlying issuer or issuers, as the case may be) of the relevant share or shares, GDR or GDRs and/or ADR or ADRs as well as economic, financial and political events in one or more jurisdictions, including factors affecting the stock exchange(s) or quotation system(s) on which any such shares, GDRs and/or ADRs may be traded.

In the case of Share Linked Securities, no issuer of the underlying shares or, in the case of Share Linked Securities linked to GDRs and/or ADRs, the underlying issuer in respect of such GDRs and/or ADRs, as the case may be, will have participated in the preparation of the applicable Final Terms or in establishing the terms of the relevant Securities, and none of the Issuer, BNP Paribas and its respective affiliates, the Trustee, the Dealer and any Guarantor (if applicable) and its respective affiliates will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer or underlying issuer, as the case may be, of shares, GDRs and/or ADRs contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in this paragraph or in any applicable Final Terms) that would affect the trading price of the share, GDR and/or ADR will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future

events concerning such an issuer or underlying issuer, as the case may be, of shares, GDRs and/or ADRs could affect the trading price of the share, GDR and/or ADR and therefore the trading price of the Securities.

Except as provided in the relevant Conditions, Holders of Securities will not have voting rights or rights to receive dividends or distributions or any other rights with respect to the relevant shares, GDRs and/or ADRs to which such Securities relate.

Risks Relating to Commodity Linked Securities

The Issuer may issue Securities where the amount of principal and/or interest payable (in the case of Notes) or the settlement amount and/or the instalment amount and/or interest payable (in the case of Certificates) or the settlement amount (in the case of Warrants) are dependent upon the price of or changes in the price of commodities and/or commodity indices or a basket of commodities and/or commodity indices ("**Commodity Linked Notes**", "**Commodity Linked Certificates**" and "**Commodity Linked Warrants**" respectively and together "**Commodity Linked Securities**"). Accordingly an investment in Commodity Linked Securities may bear similar market risks to a direct commodity investment and potential investors should take advice accordingly.

Potential investors in any such Securities should be aware that, depending on the terms of the Commodity Linked Securities, (a) in the case of Commodity Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment, (b) in the case of Commodity Linked Warrants (i) payment of any cash settlement amount may be significantly less than anticipated or may occur at a different time than expected and (ii) such Warrants may expire worthless and the investor may lose all or a substantial portion of their investment and (c) in the case of Commodity Linked Certificates (i) they may receive no or a limited amount of interest, (ii) payment of any cash settlement amount or payment of any instalment amount or interest may be significantly less than anticipated or may occur at a different time than expected and (iii) the Certificates may be worthless upon redemption and the investor may lose all or a substantial portion of their investment. In addition, the movements in the price of the commodity and/or commodity index or basket of commodities and/or commodity indices may be subject to significant fluctuations that may or may not correlate with other indices, changes in interest rates or currencies and the timing of changes in the relevant price of a commodity and/or commodity index may affect the actual yield to investors, even if the average level is consistent with their expectations.

If the amount of principal and/or interest payable (in the case of Notes) or the settlement amount and/or the instalment amount and/or interest payable (in the case of Certificates) or the settlement amount (in the case of Warrants) is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of a commodity and/or commodity index on principal or interest or the instalment amount payable or the settlement amount (as the case may be) will be magnified.

Where the Commodity Linked Securities are linked to a commodity index, such commodity index may be a well known and widely available commodity index or a commodity index which may not be well known or widely available. The commodity index may be comprised of futures contracts, mono-indices, or other commodity indices, which may be proprietary. Commodity Linked Securities may be linked to a commodity index which may be sponsored and/or calculated by BNP Paribas or one of its affiliates. Pursuant to the operational rules of the relevant commodity index, the commodity index is scheduled to be calculated on a periodic basis (for example on each weekday). In the event that one of the levels, values or prices of a component included in the commodity index is not available for any reason on a relevant day of calculation including, without limitation, (a) where it is not a business day in respect of that commodity index component or (b)

that commodity index component is subject to a market disruption event, then the calculation agent of the commodity index may, but is not obliged to, calculate the level of the commodity index for the relevant day by taking a value for the affected index component on the first day following the end of a specified maximum days of disruption based on the price at which it is able to sell or otherwise realise any hedge position.

The Swap Counterparty and/or its affiliates may not be able to hedge their obligations in respect of the commodity index under the Swap Agreement and/or other underlying hedge arrangements, notwithstanding the calculation and publication of the level of the commodity index. In the event that a Market Disruption Event is occurring on the Initial Pricing Date or any Pricing Date, the Initial Pricing Date or Pricing Date will be postponed until the first succeeding Pricing Date that is not a Commodity Disrupted Day, subject to a specified maximum days of disruption, as more fully set out in the terms and conditions of the relevant Securities.

The market price of such Securities may be volatile and may be affected by the time remaining to the redemption date or expiration date (as applicable) and the volatility of the price of the commodity and/or commodity index. The price of commodities or level of a commodity index may be affected by economic, financial and political events in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) on which the relevant commodities may be traded.

Risks relating to Currency Linked Securities

The Issuer may issue Securities where the amount of principal and/or interest payable (in the case of Notes) or the Entitlement or settlement amount and/or the instalment amount and/or interest payable (in the case of Certificates) or the Entitlement or settlement amount (in the case of Warrants) are dependent upon movements in currency exchange rates or are payable in one or more currencies which may be different from the currency in which the Securities are denominated ("**Currency Linked Notes**", "**Currency Linked Warrants**" and "**Currency Linked Certificates**" respectively and together "**Currency Linked Securities**"). Accordingly an investment in Currency Linked Securities may bear similar market risks to a direct foreign exchange investment and potential investors should take advice accordingly.

Potential investors in any such securities should be aware that, depending on the terms of the Currency Linked Securities, (a) in the case of Currency Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time or in a different currency than expected and (iii) they may lose all or a substantial portion of their investment, (b) in the case of Currency Linked Warrants (i) payment of any cash settlement amount or delivery of the Entitlement may be significantly less than anticipated or may occur at a different time than expected and (ii) such Warrants may expire worthless and the investor may lose all or a substantial portion of their investment and (c) in the case of Currency Linked Certificates (i) they may receive no or a limited amount of interest, (ii) payment of any cash settlement amount or delivery of the Entitlement or payment of any instalment amount or interest may be significantly less than anticipated or may occur at a different time than expected and (iii) the Certificates may be worthless upon redemption and the investor may lose all or a substantial portion of their investment. In addition, movements in currency exchange rates may be subject to significant fluctuations that may or may not correlate with changes in interest rates or other indices and the timing of changes in the exchange rates may affect the actual yield to investors, even if the average level is consistent with their expectations.

Exchange rates between currencies are determined by factors of supply and demand in the international currency markets which are influenced by macro economic factors, speculation and central bank and government intervention (including the imposition of currency controls and restrictions). In recent years, rates of exchange between some currencies have been volatile. This volatility may be expected in the future. Fluctuations that have occurred in any particular exchange rate in the past are not necessarily indicative, however, of fluctuation that may occur in the rate

during the term of any Security. Fluctuations in exchange rates will affect the value of Currency Linked Securities.

If the amount of principal and/or interest payable (in the case of Notes) or the Entitlement or settlement amount and/or the instalment amount and/or interest payable (in the case of Certificates) or the Entitlement or settlement amount (in the case of Warrants) is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the currency exchange rates on principal or interest or the instalment amount payable or the settlement amount or Entitlement (as the case may be) will be magnified.

The market price of such Securities may be volatile and, if the amount of principal and/or interest payable or the settlement amount or Entitlement (as the case may be) are dependent upon movements in currency exchange rates, may depend upon the time remaining to the redemption date or exercise date (as applicable) and the volatility of currency exchange rates. Movements in currency exchange rates may be dependent upon economic, financial and political events in one or more jurisdictions.

In the case of Warrants and Certificates only, if additional warrants, securities or options relating to particular currencies or particular currency indices are subsequently issued, the supply of warrants and options relating to such currencies or currency indices, as applicable, in the market will increase, which could cause the price at which the Warrants and such other warrants, securities and options trade in the secondary market to decline significantly.

Risks relating to Fund Linked Securities

The Issuer may issue Securities where the amount of principal and/or interest payable (in the case of Notes) or the Entitlement or settlement amount and/or the instalment amount and/or interest payable (in the case of Certificates) or the Entitlement or settlement amount (in the case of Warrants) are dependent upon the price or changes in the price of units or shares in a fund or funds or, depending on the price or changes in the price of units or shares in such fund or funds, the Issuer's obligation on redemption is to deliver a specified amount of Fund Shares ("**Fund Linked Notes**", "**Fund Linked Warrants**" and "**Fund Linked Certificates**" respectively and together "**Fund Linked Securities**"). Accordingly an investment in Fund Linked Securities may bear similar market risks to a direct fund investment and potential investors should take advice accordingly.

Prospective investors in any such Securities should be aware that, depending on the terms of the Fund Linked Securities, (a) in the case of Fund Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment, (b) in the case of Fund Linked Warrants (i) payment of any cash settlement amount or delivery of the Entitlement may be significantly less than anticipated or may occur at a different time than expected and (ii) such Warrants may expire worthless and the investor may lose all or a substantial portion of their investment and (c) in the case of Fund Linked Certificates (i) they may receive no or a limited amount of interest, (ii) payment of any cash settlement amount or delivery of the Entitlement or payment of any instalment amount or interest may be significantly less than anticipated or may occur at a different time than expected and (iii) the Certificates may be worthless upon redemption and the investor may lose all or a substantial portion of their investment. In addition, the movements in the price of units, shares or interests in the fund or funds may be subject to significant fluctuations that may or may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the units or shares in the fund or funds may affect the actual yield to investors, even if the average level is consistent with their expectations. Prospective investors should also be aware that in the event of the occurrence of one or more Extraordinary Fund Events then (A) the Issuer may (i) substitute the relevant Fund Shares with fund shares of a fund with similar characteristics or if no such fund is selected with a replacement index or redeem, (ii) cancel the Securities (as applicable) or (iii) take no further action

and (B) the Calculation Agent may make such adjustments to the relevant Fund, Fund Shares, Weighting and/or the terms and conditions of the relevant Securities as it determines appropriate in its sole and absolute discretion. In making such substitution, adjustment or other determination, the Issuer and/or the Calculation Agent (as the case may be) shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar substitution, adjustment or other determination made in respect of any applicable Swap Agreement in relation to such Extraordinary Fund Event.

If the amount of principal and/or interest payable (in the case of Notes) or the Entitlement or settlement amount and/or the instalment amount and/or interest payable (in the case of Certificates) or the Entitlement or settlement amount (in the case of Warrants) is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the units or shares of the fund or funds on principal or interest or the instalment amount payable or the settlement amount or Entitlement (as the case may be) will be magnified. The market price of such Securities may be volatile and may depend on the time remaining to the redemption date or Expiration Date (as applicable) and the volatility of the price of units or shares in the fund or funds. The price of units or shares in a fund may be affected by the economic, financial and political events in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) on which any units in the fund or funds may be traded. In addition, the price of units or shares in a fund may be affected by the performance of the fund service providers, and in particular the investment adviser.

Prospective investors should review carefully the prospectus, information memorandum and/or offering circular (if any) issued by any relevant fund before purchasing any Securities. None of the Issuer, BNP Paribas and its respective affiliates, the Dealer, the Guarantor (if applicable), any affiliate of the Guarantor (if applicable), the Trustee or the Calculation Agent make any representation as to the creditworthiness of any relevant fund or any such fund's administrator, custodian, investment manager or adviser or in respect of any prospectus, information memorandum and/or offering circular (if any) issued by any relevant fund.

Where the Issuer issues Fund Linked Securities linked to one or more Funds, including hedge funds, the relevant Securities reflect the performance of such fund(s).

Funds may trade and invest in a broad range of investments such as debt and equity securities, commodities and foreign exchange and may enter into derivative transactions, including, without limitation, futures and options. Funds may often be illiquid and may only be traded on a monthly, quarterly or even less frequent basis. The trading strategies of Funds are often opaque. Funds, as well as the markets and instruments in which they invest, are often not subject to review by governmental authorities, self-regulatory organisations or other supervisory authorities.

For all the above reasons, investing directly or indirectly in Funds is generally considered to be risky. If the underlying Fund does not perform sufficiently well, the value of the Securities will fall and may in certain circumstances be zero.

Risks relating to Credit Linked Securities

The Issuer may issue Notes or Certificates where the amount of principal and/or interest payable (in the case of Notes) or the settlement amount and/or the instalment amount and/or interest payable (in the case of Certificates) are dependent upon whether certain events ("**Credit Events**") have occurred in respect of one or more Reference Entities and, if so, on the value of certain specified assets of such Reference Entity/Entities or where, if such events have occurred, on redemption the Issuer's obligation is to deliver certain specified assets.

Prospective investors in any such Notes or Certificates ("**Credit Linked Securities**") should be aware that, depending on the terms of the Credit Linked Securities, (i) they may receive no or a limited amount of interest, (ii) payment of principal (in the case of Notes) or any instalment

amount or cash settlement amount (in the case of Certificates) or interest or delivery of any specified assets may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment.

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

Where the Credit Linked Securities provide for physical delivery, the Calculation Agent may determine that the specified assets to be delivered are either (a) assets which for any reason (including, without limitation, failure of the relevant clearance system or due to any law, regulation, court order or market conditions or the non-receipt of any requisite consents with respect to the delivery of assets which are loans) it is impossible or illegal to deliver on the specified settlement date or (b) assets which the Issuer has not received under the terms of any transaction entered into by the Issuer in connection with the Credit Linked Securities. Any such determination may delay settlement in respect of the Credit Linked Securities and/or cause the obligation to deliver such specified assets to be replaced by an obligation to pay a cash amount which, in either case, may affect the value of the Credit Linked Securities and, in the case of payment of a cash amount, will affect the timing of the valuation of such Notes or Certificates and as a result, the amount of principal payable on redemption. Prospective investors should review the Terms and Conditions of the Notes or the Terms and Conditions of the Certificates, as the case may be, and the applicable Final Terms to ascertain whether and how such provisions should apply to the Notes or Certificates.

Interest rate risks

Investment in Fixed Rate Notes or Certificates or any Note or Certificate with a fixed rate component involves the risk that subsequent changes in market interest rates may adversely affect the value of such Notes or Certificates.

Additional risk factors for Credit Linked Securities

Holders are exposed to credit risk on Reference Entities

Where cash settlement or auction settlement applies, the occurrence of a Credit Event in relation to any Reference Entity from time to time may result either (in the case of Notes) in a redemption in a reduced principal amount or at zero or (in the case of Certificates) in a redemption in a lower cash settlement amount than anticipated or at zero, and, (if applicable) in a reduction of the amount on which interest is calculated. Where physical settlement applies, the occurrence of a Credit Event may result in the redemption of the Credit Linked Securities based on the valuation (or by delivery) of certain direct or indirect obligations of the affected Reference Entity, which obligations are likely to have a market value which is substantially less than their par amount.

Investors in the Securities are accordingly exposed, as to principal and (if applicable) interest, in the case of Notes, and as to the cash settlement amount and/or instalment amount and/or interest (as applicable) in the case of Certificates, to the credit risk of the Reference Entity. The maximum loss to an investor in the Securities is 100 per cent. of their initial investment, together with (if applicable) any interest amounts.

A Credit Event may occur prior to the Trade Date

Noteholders may suffer a loss of some or all of the principal amount of the Notes, and Certificateholders may see a reduction in the value of the Certificates, in respect of one or more Credit Events that occur on or after the date falling 60 days prior to the Trade Date or the Issue Date. Neither the Calculation Agent or the Issuer nor any of their respective affiliates has any responsibility to avoid or mitigate the effects of a Credit Event that has taken place prior to the

Trade Date (being a date specified in the Final Terms and being, generally, the date on which the initial investor(s) in any Series of Credit Linked Securities commit to purchase such Credit Linked Securities, and accordingly, on which the Swap Counterparty will undertake related hedging activity) or the Issue Date (being the date on which the Credit Linked Securities are issued and the investor pays the purchase price).

Increased credit risk is associated with Nth-to-Default Credit Linked Securities

Where the Credit Linked Securities are Nth-to-Default Credit Linked Securities, the Securities will be subject to redemption in full as described above upon the occurrence of a Credit Event in relation to the nth Reference Entity. The credit risk to Holders of Securities may therefore be increased as a result of the concentration of Reference Entities in a particular industry sector or geographic area or the exposure of the Reference Entities to similar financial or other risks.

Credit risk may be increased where Reference Entities are concentrated in a particular sector or region

Where the Credit Linked Securities are Nth-to-Default Credit Linked Securities or Linear Basket Credit Linked Securities, the credit risk to investors in the Credit Linked Securities may be increased, amongst other things, as a result of the concentration of Reference Entities in a particular industry sector or geographic area, or the exposure of the Reference Entities to similar financial or other risks.

Rights of the Swap Counterparty and Calculation Agent

The Swap Counterparty will exercise its rights under the terms of the Securities and the Credit Default Swap Agreement, including in particular the right to designate a Credit Event and the right to select obligations of the affected Reference Entity for valuation or delivery, in the interests of itself and of its affiliates, and not in the interests of investors in the Securities. The exercise of such rights in such manner, for example by the selection of the eligible obligations of the Reference Entity having the lowest possible market value, may result in an increased credit loss for holders of the Securities.

The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent shall (in the absence of manifest error) be final and binding on the Holders of Securities. In performing its duties pursuant to the Securities, the Calculation Agent shall act in its sole and absolute discretion and is not bound to follow or act in accordance with any determination of the relevant Credit Derivatives Determinations Committee. In making any determinations expressed to be made by it, for example, as to substitute Reference Obligations or Successors, the Calculation Agent is under no obligation to the Holders of Securities, and will not be liable to account for any profit or other benefit which may accrue to it as a result of such determination.

Actions of Reference Entities may affect the value of the Securities

Actions of Reference Entities (for example, merger or demerger or the repayment or transfer of indebtedness) may adversely affect the value of the Securities. The views of market participants and/or legal counsel may differ as to how the terms of market standard credit default swaps, and corresponding terms of the Securities and the Credit Default Swap Agreement, should be interpreted in the context of such actions, or such terms may operate in a manner contrary to the expectations of market participants and/or adversely to the interests of Holders of Securities. Holders of Securities should be aware that the Reference Entities to which the value of the Securities is exposed, and the terms of such exposure, may change over the term of the Securities.

Payments in the Securities may be deferred or suspended

In certain circumstances, for example, where a Credit Event has occurred and the related credit loss has not been determined as at the relevant date for payment, where a potential Credit Event exists as at the scheduled maturity of the Securities, or pending a resolution of a Credit Derivatives Determinations Committee payment of the redemption amount of the Notes or the cash settlement amount of the Certificates, and/or interest on the Securities may be deferred for a material period in whole or part without compensation to the Holders of Securities.

Suspension of Obligations will suspend payment of principal (in the case of Notes) and interest

If the Calculation Agent determines that, under the terms of the Securities, the obligations of the parties would be suspended pending a resolution of a Credit Derivatives Determination Committee all of the obligations of the Issuer under each Security (including any obligation to deliver any notices, pay any interest, pay any principal or Final Redemption Amount (in the case of Notes) or pay any cash settlement amount (in the case of Certificates) or to make any delivery) shall, be and remain suspended until ISDA publicly announces that the relevant Credit Derivatives Determination Committee has resolved the matter in question or not to determine such matters. The Calculation Agent will provide notice of such suspension as soon as reasonably practicable; however, any failure or delay by the Calculation Agent in providing such notice will not affect the validity or effect of such suspension. No interest shall accrue on any payments which are suspended in accordance with the above.

Use of Auction Settlement may adversely affect returns to Holders of Securities

Where the Securities are redeemed following the occurrence of a Credit Event by reference to an auction sponsored by ISDA, the Swap Counterparty and/or its affiliates may act as a participating bidder in any such Auction and, in such capacity, may take certain actions which may influence the Auction Final Price including (without limitation) submitting bids, offers and physical settlement requests with respect to the obligations of the Reference Entity. If the Swap Counterparty and/or its affiliates participate in an Auction, then they will do so without regard to the interests of Holders of Securities, and such participation may have a material adverse effect on the outcome of the relevant Auction and/or on the Securities. Holders of Securities will have no right to submit bids and/or offers in an Auction.

The Auction Final Price determined pursuant to an Auction may be less than the market value that would otherwise have been determined in respect of the specified Reference Entity or its obligations. In particular, the Auction process may be affected by technical factors or operational errors which would not otherwise apply or may be the subject of actual or attempted manipulation. Auctions may be conducted by ISDA or by a relevant third party. Neither the Calculation Agent, the Swap Counterparty, the Issuer nor any of their respective affiliates has any responsibility for verifying that any auction price is reflective of current market values, for establishing any Auction methodology or for verifying that any Auction has been conducted in accordance with its rules. Neither the Issuer nor the Swap Counterparty will have any responsibility to dispute any determination of an Auction Final Price or to verify that any Auction has been conducted in accordance with its rules.

Following a Restructuring Credit Event in relation to which ISDA sponsors multiple concurrent Auctions, but where there is no Auction relating to credit derivative transactions with a maturity of the Credit Linked Securities, if the Calculation Agent exercises the right of the buyer of credit risk protection under the Credit Linked Securities to elect that the Auction Final Price is determined by reference to an alternative Auction, the Auction Final Price so determined may be lower than the amount which would have been determined based on quotations sought from third party dealers

Use of Cash Settlement may adversely affect returns to Holders of Securities

If the Securities are cash settled, then, following the occurrence of a Credit Event, the Calculation Agent will be required to seek quotations in respect of selected obligations of the affected Reference Entity. Quotations obtained will be "bid-side" - that is, they will be reduced to take account of a bid-offer spread charged by the relevant dealer. Such quotations may not be available, or the level of such quotations may be substantially reduced as a result of illiquidity in the relevant markets or as a result of factors other than the credit risk of the affected Reference Entity (for example, liquidity constraints affecting market dealers). Accordingly, any quotations so obtained may be significantly lower than the value of the relevant obligation which would be determined by reference to (for example) the present value of related cashflows. Quotations will be deemed to be zero in the event that no such quotations are available.

Where credit losses are determined on the basis of a market auction, such losses may be greater than the losses which would have been determined in the absence of such auction. If the Swap Counterparty or any affiliate thereof participates in any auction for the purposes of such an auction, then it will do so without regard to the interests of the Holders of Securities. Such participation may have a material effect on the outcome of the relevant auction.

"Cheapest-to-Deliver" risk

Since the Swap Counterparty, as buyer of protection, has discretion to choose the portfolio of obligations to be valued or delivered following a Credit Event in respect of a Reference Entity, it is likely that the portfolio of obligations selected will be obligations of the Reference Entity with the lowest market value that are permitted to be selected pursuant to the Securities and the Swap Agreement. This could result in a lower recovery value and hence greater losses for investors in the Securities.

No information

Neither the Swap Counterparty nor the relevant Issuer is obliged to disclose to Holders of Securities any information which it may have at the Issue Date of the Securities or receive thereafter in relation any Reference Entity.

Compounding of risks

Risks relating to the Securities may be correlated or compounded and such correlation and/or compounding may result in increased volatility in the value of the Securities and/or in increased losses for Holders of Securities.

No need for loss

Where the Securities are Single Reference Entity Credit Linked Securities, Nth-to-Default Credit Linked Securities or Linear Basket Credit Linked Securities, credit losses will be calculated for the purposes of the Securities and the Credit Default Swap Agreement irrespective of whether the Swap Counterparty or its affiliates or the relevant Issuer has suffered an actual loss in relation to the Reference Entity or any obligations thereof. Neither the Swap Counterparty nor the Issuer is obliged to account for any recovery which it may subsequently make in relation to such Reference Entity or its obligations.

No interest in obligations of Reference Entities

The Securities and the Credit Default Swap Agreement do not constitute an acquisition by the Holders of Securities of any interest in any obligation of a Reference Entity. Neither the Swap Counterparty nor the Issuer grants any security interest over any such obligation.

Absence of benchmarks for valuation

In determining the value of the Securities, dealers may take into account the level of a related credit index in addition to or as an alternative to other sources of pricing data. If any relevant index ceases to be liquid, or ceases to be published in its entirety, then the value of the Securities may be adversely affected.

Historical performance may not predict future performance

Individual credits may not perform as indicated by the historical performance of similar credits. Even if future performance is similar to that of historic performance for the entire market, each prospective purchaser of Securities must make its own determination as to whether the performance of the Securities will reflect such experience. Historical default statistics may not capture events that would constitute Credit Events for the purposes of the Securities and the Credit Default Swap Agreement.

Limited provision of information about the Reference Entities

This Base Prospectus does not provide any information with respect to the Reference Entities. Investors should conduct their own investigation and analysis with respect to the creditworthiness of Reference Entities and the likelihood of the occurrence of a Succession Event or Credit Event.

Reference Entities may not be subject to regular reporting requirements under United Kingdom securities laws. The Reference Entities may report information in accordance with different disclosure and accounting standards. Consequently, the information available for such Reference Entities may be different from, and in some cases less than, the information available for entities that are subject to the reporting requirements under United Kingdom securities laws. None of the Issuer or the Calculation Agent or any of their respective affiliates makes any representation as to the accuracy or completeness of any information available with respect to the Reference Entities.

None of the Issuer, the Swap Counterparty or the Calculation Agent or any of their respective affiliates will have any obligation to keep investors informed as to any matters with respect to the Reference Entities or any of their obligations, including whether or not circumstances exist that give rise to the possibility of the occurrence of a Credit Event or a Succession Event with respect to the Reference Entities.

Cash Settlement (whether by reference to an Auction or a dealer poll) may be less advantageous than physical delivery of assets

Payments on the Securities following the occurrence of an Event Determination Date may be in cash and will reflect the value of relevant obligations of the affected Reference Entity at a given date. Such payments may be less than the recovery which would ultimately be realised by a holder of debt obligations of the affected Reference Entity, whether by means of enforcement of rights following a default or receipt of distributions following an insolvency or otherwise.

Conflicts of Interest – Credit Derivatives Determinations Committees

The Swap Counterparty or any of its affiliates may act as a member of a Credit Derivatives Determinations Committee. In such case, the interests of the Swap Counterparty or its affiliates may be opposed to the interests of Holders of Securities and they will be entitled to and will act without regard to the interests of Holders of Securities.

Rights associated with Credit Derivatives Determinations Committees

The institutions which are members of each Credit Derivatives Determinations Committee owe no duty to the Holders of Securities and have the ability to make determinations that may materially affect the Holders of Securities, such as the occurrence of a Credit Event or a Succession Event. A

Credit Derivatives Determinations Committee will be able to make determinations without action or knowledge of the Holders of Securities.

Holders of Securities will have no role in the composition of any Credit Derivatives Determinations Committee. Separate criteria apply with respect to the selection of dealer and non-dealer institutions to serve on a Credit Derivatives Determinations Committee and the Holders of Securities will have no role in establishing such criteria. In addition, the composition of a Credit Derivatives Determinations Committee will change from time to time in accordance with the Rules, as the term of an institution may expire or an institution may be required to be replaced. The Holders of Securities will have no control over the process of selecting institutions to participate on the Credit Derivatives Determinations Committee and, to the extent provided for in the Securities will be subject to the determinations made by such selected institutions in accordance with the Rules.

Holders of Securities will have no recourse against either the institutions serving on a Credit Derivatives Determinations Committee or the external reviewers. Institutions serving on a Credit Derivatives Determinations Committee and the external reviewers, among others, disclaim any duty of care or liability arising in connection with the performance of duties or the provision of advice under the Rules, except in the case of gross negligence, fraud or wilful misconduct. Furthermore, the institutions on a Credit Derivatives Determinations Committee do not owe any duty to the Holders of Securities and the Holders of Securities will be prevented from pursuing claims with respect to actions taken by such institutions under the Rules.

Holders of Securities should also be aware that institutions serving on a Credit Derivatives Determinations Committee have no duty to research or verify the veracity of information on which a specific determination is based. In addition, a Credit Derivatives Determinations Committee is not obliged to follow previous determinations and, therefore, could reach a conflicting determination on a similar set of facts. If the Swap Counterparty or the Calculation Agent or any of their respective affiliates serve as a member of a Credit Derivatives Determinations Committee at any time, then they will act without regard to the interests of the Holders of Securities.

Holders of Securities are responsible for obtaining information relating to deliberations of a Credit Derivatives Determinations Committee. Notices of questions referred to the Credit Derivatives Determinations Committee, meetings held to deliberate such questions and the results of binding votes will be published on the ISDA website and neither the Issuer nor the Calculation Agent or any of its affiliates shall be obliged to inform the Holders of Securities of such information (other than as expressly provided in respect of the Securities). Failure by the Holders of Securities to be aware of information relating to deliberations of a Credit Derivatives Determinations Committee will have no effect under the Securities and Holders of Securities are solely responsible for obtaining any such information.

Investors should read the Credit Derivatives Determinations Committees Rules as amended from time to time as set out on the ISDA website, <http://www.isda.org/credit/revisedcrules.html> and reach their own views prior to making any investment decisions. Investors should however note that the Rules may subsequently be amended from time to time without the consent or input of the Noteholders and the powers of the Credit Derivatives Determinations Committee may be expanded or modified as a result.

Multiple Auctions Following Restructuring Credit Event

Where multiple concurrent Auctions are held following a Restructuring Credit Event, the Issuer may be entitled to select a particular Auction for the purposes of settlement of the Securities. The Issuer will make such election acting in its own interests and not in the interests of the Holders of Securities.

Non-delivery of Deliverable Obligations and Hedge Disruption Event – will not constitute an Event of Default

Where Physical Settlement is the applicable Settlement Method, if as a result of a Hedge Disruption Event, the Issuer or the Swap Counterparty and/or any of their affiliates have not received the Deliverable Obligations and/or cash under the terms of a Hedge Transaction, such event will not constitute an Event of Default for the purposes of the Securities. In such circumstances settlement of the Securities may be substantially delayed and/or may be in cash (in whole or in part).

The Calculation Agent may modify the terms of the Securities

The Calculation Agent may, following its determination that there has been a change in the prevailing market standard terms or market trading conventions that affects any hedging transaction (such as, for example, but without limitation, if ISDA publishes changes to the standard terms on which credit default swap contracts affecting a Reference Entity are traded in the over-the-counter market or if the Credit Derivatives Determinations Committee amends the terms of the Credit Derivatives Determinations Committees Rules) modify the terms of the Securities to the extent necessary to preserve any consistency between the Securities, such market standard terms or market trading conventions, and the hedging transaction.

The Calculation Agent may make such modifications as may be necessary to ensure consistency with any successor provisions which are published by ISDA for the purposes of credit derivatives transactions generally (including with respect to transactions which are entered into prior to the relevant date of publication and which are outstanding as of that date) and/or may apply and rely on determinations of the Credit Derivatives Determinations Committee made in respect of a relevant Reference Entity under any such Successor Provisions notwithstanding any discrepancy between the terms of such provisions and Annex 9 (*Additional Terms and Conditions for Credit Linked Securities*).

Risks relating to ETI Linked Securities

An investment in ETI Linked Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of ETI Linked Securities, Holders of Securities will receive an amount (if any) determined by reference to the value of the interests in exchange traded instruments or a basket of interests in exchange traded instruments and/or the physical delivery of a given number of interests in exchange traded instruments. Accordingly, an investment in ETI Linked Securities may bear similar market risks to a direct exchange traded instrument investment, and investors should take advice accordingly.

Whilst interests in exchange traded instruments are traded on an exchange and are therefore valued in a similar manner as a share traded on an exchange, certain provisions related to ETI Linked Securities are similar to the provisions related to funds and Fund Linked Securities.

In the case of ETI Linked Securities, no issuer of the relevant exchange traded instrument will have participated in the preparation of the relevant Final Terms or in establishing the terms of the Securities, and none of the Issuer, the Guarantor (if any), the Swap Counterparty, the Trustee or the Calculation Agent will make any investigation or enquiry in connection with such offering with respect to any information concerning any such exchange traded instrument contained in such

Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in this paragraph or in any relevant Final Terms) that would affect the trading price of the interests in the exchange traded instrument will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an exchange traded instrument could affect the trading price of interests in the exchange traded instruments and therefore the trading price of the Securities. ETI Linked Securities do not provide Holders of Securities with any participation rights in the underlying ETI(s) and, except in certain circumstances in the case of Physical Delivery Securities, do not entitle holders of ETI Linked Securities to any ownership interest or rights in such ETI(s).

Except as provided in the Conditions, Holders of Securities will not have voting rights to receive dividends or distributions or any other rights with respect to the relevant exchange traded instruments to which such Securities relate.

Market Disruption Events or failure to open of an Exchange

If an issue of Underlying Reference Linked Securities includes provisions dealing with the occurrence of a Market Disruption Event or failure to open of an exchange on the Strike Date or Initial Calculation Date (as applicable), a Valuation Date or Calculation Date (as applicable), Observation Date or an Averaging Date and the Calculation Agent determines that a Market Disruption Event or failure to open of an exchange has occurred or exists on such date, any consequential postponement of the Strike Date, Initial Calculation Date, Valuation Date, Calculation Date, Observation Date or Averaging Date (as the case may be) or any alternative provisions for valuation provided in any such Securities may have an adverse effect on the value and liquidity of such Securities. The timing of such dates (as scheduled or as so postponed or adjusted) may affect the value of the relevant Securities such that the relevant Holder of Securities may receive, in the case of Notes and Certificates, a lower cash redemption or settlement amount and/or interest amount or other payment under the relevant Notes or Certificates, or, in the case of Warrants, a lower settlement amount or Entitlement or other payment under the relevant Warrants, than otherwise would have been the case. The occurrence of such a Market Disruption Event or failure to open of an exchange in relation to any Underlying Reference comprising a basket may also have such an adverse effect on Securities related to such basket. In addition, any such consequential postponement may result in the postponement of the date of redemption of the Securities.

Adjustment to indices

Where the Underlying Reference is an index (including a commodity index or custom index) and an index adjustment event (as described in the applicable Terms and Conditions of the Securities) occurs, the Calculation Agent may make such adjustments as it determines appropriate to the terms of such Securities or notify the Issuer that it has not determined any appropriate adjustment, following which the Issuer will redeem or cancel the Securities (as applicable). In making such adjustment or determination, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar adjustment or other determination made in respect of any applicable Swap Agreement in relation to such index adjustment event. Such action may have an adverse effect on the value and liquidity of the affected Underlying Reference Linked Securities.

Maturity Date Extension and Settlement Date Extension

If "Maturity Date Extension" (in the case of Notes) or "Settlement Date Extension" (in the case of Warrants) or "Redemption Date Extension" (in the case of Certificates) is specified as applicable, where the Issuer has not received in full the amount it is scheduled to receive in respect of any of the Charged Assets relating to the relevant Securities (such assets the "**Non-Performing Assets**")

on or prior to the Early Redemption Date or the Maturity Date (in the case of Notes) or the Early Termination Date or the Settlement Date (in the case of Warrants), or the Early Redemption Date or the Cash Settlement Date or Delivery Date, as the case may be, in the case of Certificates, as the case may be, redemption in full of the Notes or Certificates, or settlement in full of the Warrants, as the case may be, will be postponed until the date specified in the applicable Final Terms as the "Extended Maturity Date" (in the case of Notes) or "Extended Settlement Date" (in the case of Warrants) or "Extended Redemption Date" in the case of Certificates. Such Extended Maturity Date, Extended Settlement Date, or Extended Redemption Date, as the case may be, may, depending on the terms of the relevant Securities, be a considerable period of time after the date on which the Issuer was due to redeem the Notes or Certificates, or settle the Warrants, as the case may be. The Issuer will in the period to, and including, the Extended Maturity Date or Extended Settlement Date or Extended Redemption Date, as the case may be, pay over any amounts it receives in such period in respect of the relevant Charged Assets to the Holders of Securities (to the extent amounts are due to the Holders of Securities) and shall appoint an agent to assist it in recovering amounts due in respect of the relevant Charged Asset or, where applicable and when requested to do so by the Calculation Agent, the Issuer may sell the Charged Assets (or its rights in connection therewith). There is no guarantee, notwithstanding the postponement of the redemption of the Notes or Certificates or settlement of the Warrants, as the case may be, in full, that any further sums will be recovered in respect of the Charged Assets and that the Holders of Securities would receive any greater amount than if the Notes had been redeemed in full on the Early Redemption Date or the Maturity Date or the Warrants had been settled in full on the Early Termination Date or the Settlement Date or the Certificates had been redeemed in full on the Early Redemption Date or the Redemption Date, as the case may be.

Additional Factors relating to certain Underlying References

Certain considerations associated with Securities linked to Emerging Markets Underlying References

The Issuer may issue Securities where the amount payable on redemption or settlement (as the case may be) or the interest payable (in the case of Notes and Certificates) and/or the instalment amount payable (in the case of Certificates) is linked to Underlying References which consist of (i) securities, funds or indices comprising securities of issuers that are located in, or subject to regulation in, emerging or developing countries, or (ii) securities which are denominated in the currency of, or are traded in, emerging or developing countries or (iii) currencies of emerging or developing countries. Prospective investors should note that additional risks may be associated with investment in such Securities, including risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and regulation, and uncertainties as to the status, interpretation and application of laws including, but not limited to, those relating to expropriation, nationalisation and confiscation. Securities traded in emerging or developing countries tend to be less liquid and the prices of such securities more volatile. In addition, settlement of trades in some such markets may be slower and more subject to failure than in markets in developed countries.

Increased custodian costs as well as administrative difficulties (such as the applicability of the laws of the jurisdictions of emerging or developing countries to custodians in such jurisdictions in various circumstances, including bankruptcy, ability to recover lost assets, expropriation, nationalisation and record access) may also arise from the maintenance of assets in such emerging or developing countries.

Prospective purchasers of such Securities should also be aware that the probability of the occurrence of a disruption event and consequently loss of investment or profit by an investor may be higher for certain developing or emerging markets. Prospective purchasers are expected to

conduct their own enquiries and be satisfied that there are additional risks associated with investments linked to the performance of underlying assets located in these markets.

Certain considerations associated with Dynamic Securities

The Issuer may issue dynamic Securities ("**Dynamic Securities**"). Dynamic Securities may be linked to a portfolio or strategy often comprising assets with a greater potential for return and consequently greater risk (for example, a hedge fund) and assets with a lower return and consequently lesser risk (for example, a zero coupon debt security issued by an issuer with a high credit rating). The portfolio or strategy of the Underlying Reference may include leverage or the taking of short positions on certain specified terms. The portfolio or strategy of the Underlying Reference is dynamic and may rebalance between the relevant assets based upon a specified allocation methodology. The value of Dynamic Securities is determined by reference to the underlying portfolio or strategy of the Underlying Reference at different times. This portfolio or strategy of the Underlying Reference may change during the term of the Securities; such changes or the timing thereof may affect the value of, and any return on, the Securities.

Considering the above aspects, Dynamic Securities are by their nature intrinsically complex, which makes their evaluation difficult, in terms of risk at the time of the purchase as well as thereafter. Investors should therefore purchase Dynamic Securities only after having completely understood and evaluated either themselves or with a financial adviser the nature and the risk inherent in the Dynamic Securities.

Limited exposure to Underlying Reference

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

Physical Delivery Securities

In the case of Securities which are redeemable or settled (as the case may be) by delivery of assets (other than Credit Linked Securities), if a Settlement Disruption Event occurs or exists on the due date for redemption or settlement of the Securities (as the case may be), settlement will be postponed until the next Settlement Business Day in respect of which there is no Settlement Disruption Event. The Issuer in these circumstances also has the right to pay the Disruption Cash Redemption Amount (in the case of Notes and Certificates) or the Disruption Cash Settlement Price (in the case of Warrants) in lieu of delivering the Entitlement.

If a Failure to Deliver due to Illiquidity occurs the Issuer has the right in lieu of delivery of the assets affected by such event to pay the Failure to Deliver Redemption Amount or Failure to Deliver Cash Settlement Price (as applicable). The Disruption Cash Redemption Amount and/or the Failure to Deliver Redemption Amount and/or Disruption Cash Settlement Price (as the case may be) may be less than the fair market value of the Entitlement.

Commodity Linked Notes and Commodity Linked Certificates may not be redeemed by delivery of assets.

Certain Additional Risk Factors relating to market access products

Prospective purchasers of the Securities should note that where the Securities are market access products, the Issuer's obligations in respect thereof may be hedged by means of the Share(s), the Index, the Shares comprised in the Index, the Underlying Shares of GDRs or ADRs, the Debt Securities and/or any instrument used for the purposes of hedging obligations under the Securities being held by a qualified investor which is a company within the Group. Although the prospective purchaser of the Securities will have no proprietary interest in such Share(s), the Index, the Shares

comprised in the Index, the Underlying Shares of GDRs or ADRs, the Debt Securities and/or any instrument used for the purposes of hedging obligations under the Securities, the economic and other risks associated with such Shares, the Index, the Shares comprised in the Index, the Underlying Shares of GDRs or ADRs, the Debt Securities and/or instrument shall be assumed by the prospective purchasers of Securities as set out further in the relevant Conditions.

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

Prospective purchasers of the Securities should also be aware that the probability of the occurrence of a Hedging Disruption Event (or other Adjustment Event under the relevant legal terms as set out further in the relevant Conditions) may be higher for certain developing or emerging markets as further described in "*Certain Considerations Associated with Securities Linked to Emerging Markets*" above.

C. **Specific Risks relating to Notes**

Partly Paid Notes

The Issuer may issue Notes where the issue price is payable in more than one part payment. Failure to pay any subsequent part payment on the required date could result in an investor losing some or all of his investment.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**Directive**"), 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 have adopted similar measures.

The European Commission has proposed certain amendments to the Directive which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax, were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive.

Notes where denominations involve integral multiples: Definitive Bearer Notes

In relation to any issue of Bearer Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Bearer Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a Definitive Bearer Note in respect of such holding (should Definitive Bearer Notes be printed) and would need to purchase a principal amount of Bearer Notes such that its holding amounts to a Specified Denomination.

If Definitive Bearer Notes are issued, holders should be aware that Definitive Bearer Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

No gross-up upon the application of withholding tax

The Notes will not have the benefit of a gross-up provision in respect of withholding taxes. Noteholders will bear the risk of the imposition of any deduction or withholding with respect to payments made under the Notes.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer or the Swap Counterparty has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer or the Swap Counterparty may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than the then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than the then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

D. Specific Risks relating to Warrants

General

Prospective purchasers of Warrants should recognise that their Warrants may expire worthless. Prospective purchasers should be prepared to sustain a total loss of the purchase price of their Warrants.

The risk of the loss of some or all of the purchase price of a Warrant upon expiration means that, in order to recover and realise a return upon its investment, a purchaser of a Warrant must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the Underlying Reference which may be specified in the applicable Final Terms. Assuming all other factors are held constant, the lower the value of a Warrant and the shorter the remaining term of a Warrant to expiration, the greater the risk that purchasers of such Warrants will lose all or part of their investment. The only means through which a holder of a Warrant can realise value from the Warrant prior to its Exercise Date in relation to such Warrant is to sell it at its then market price in an available secondary market. See "*Possible Illiquidity of the Securities in the Secondary Market*" above.

In addition to the factors set out in this section "*D. Risks Relating to Warrants*", Warrantholders should be aware that the ability of the Issuer to meet its obligations under Warrants issued by it may depend on the receipt by it of payments from the Compartment Assets it purchases (if any) with the proceeds of the issue of each Series of Warrants and/or on the receipt by it of payments under relevant swap agreements, usually with BNP Paribas or BNP Paribas Arbitrage S.N.C., deposit agreements or repurchase agreements notwithstanding the performance of any relevant Underlying Reference. The Warrantholders are therefore exposed to the risk that the Issuer will not have sufficient funds available to it to make payments due under the Warrants. See "*A. Risks relating to the Issuer*" above for further details of such risks.

Limitations on exercise of Warrants

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

Minimum Exercise Amount of Warrants

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

Time lag after exercise of Warrants

In the case of any exercise of Warrants, there will be a time lag between the time a Warrantholder gives instructions to exercise and the time the applicable Cash Settlement Amount (in the case of Cash Settled Warrants) relating to such exercise is determined. Any such delay between the time of exercise and the determination of the Cash Settlement Amount will be specified in the applicable Final Terms or the Terms and Conditions of the Warrants. However, such delay could

be significantly longer, particularly in the case of a delay in the exercise of Warrants arising from any daily maximum exercise limitation, the occurrence of a Market Disruption Event or the failure to open of an exchange (if applicable) or following the imposition of any exchange controls or other similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies) in the case of Currency Linked Warrants. The applicable Cash Settlement Amount may change significantly during any such period, and such movement or movements could decrease the Cash Settlement Amount of the relevant Warrants, and may result in such Cash Settlement Amount being zero.

In general, certain of the risks associated with Warrants are similar to those generally applicable to other options or warrants of private corporate issuers. Warrants on shares, debt instruments or fund shares or units are priced primarily on the basis of the value of underlying securities, whilst Currency Linked and Commodity Linked Warrants are priced primarily on the basis of present and expected values of the reference currency (or basket of currencies) or commodity (or basket of commodities) specified in the applicable Final Terms.

E. Risks relating to Guaranteed Securities

A purchaser of Guaranteed Securities will be relying upon the creditworthiness of the Guarantor. The obligations of the Guarantor under the Guarantee will be unsubordinated and unsecured and will rank *pari passu* with all the Guarantor's other present and future unsubordinated and unsecured obligations, subject as may from time to time be mandatory under applicable law.

Prospective purchasers of Guaranteed Securities should note that, unless otherwise stated in the applicable Final Terms and Supplemental Trust Deed, the Guarantee is a guarantee of the Issuer's obligations which are themselves limited by a number of factors including, but not limited to, the provisions of the Securitisation Act 2004 and the Terms and Conditions of the Notes, the Terms and Conditions of the Warrants or the Terms and Conditions of the Certificates (as the case may be), including, without limitation, those relating to (i) the applicable redemption amount (which may be limited to the liquidation proceeds of the Charged Assets of the Compartment relating to such Note, Warrant or Certificate, as the case may be), (ii) Compartments, (iii) limited recourse, (iv) non-petition, (v) subordination and (vi) priority of payments, as described in the Base Prospectus. Holders of Guaranteed Securities would therefore retain the risk that these factors may result in payments under the Guaranteed Securities being less than amounts which would otherwise have been due, as described in "*Risk Factors – Risks relating to the Issuer*".

F. Risks relating to the Guarantor where the Guarantor is BNPP

See the section entitled "*Risk Factors*" contained on pages 5 to 10 of the Information Statement which is incorporated by reference into the Base Prospectus (see "*Documents Incorporated by Reference*").

G. Potential conflicts of interest in respect of Securities guaranteed by BNPP

The Calculation Agent may be an affiliate of the Guarantor (where BNPP is Guarantor) and consequently, potential conflicts of interest may exist between the Calculation Agent and Holders of Securities, including with respect to certain determinations and judgments that the Calculation Agent must make, including whether a Market Disruption Event, a Settlement Disruption Event or Credit Event (each as defined in this Base Prospectus) has occurred. The Calculation Agent is obliged to carry out its duties and functions as Calculation Agent in good faith and using its reasonable judgment.

H. Specific Risks Relating to Certificates

Partly Paid Certificates

The Issuer may issue Certificates where the issue price is payable in more than one part payment. Failure to pay any subsequent part payment on the required date could result in an investor losing some or all of his investment.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**Directive**"), 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 have adopted similar measures.

The European Commission has proposed certain amendments to the Directive which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax, were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive.

No gross-up upon the application of withholding tax

The Certificates will not have the benefit of a gross-up provision in respect of withholding taxes. Certificateholders will bear the risk of the imposition of any deduction or withholding with respect to payments made under the Certificates.

Variable rate Certificates with a multiplier or other leverage factor

Certificates with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Certificates

Inverse Floating Rate Certificates have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Certificates typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Certificates are more volatile because an increase in the reference rate not only decreases the interest rate of the Certificates, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Certificates.

Fixed/Floating Rate Certificates

Fixed/Floating Rate Certificates may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer or the Swap Counterparty has

the right to effect such a conversion, this will affect the secondary market and the market value of the Certificates since the Issuer or the Swap Counterparty may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Certificates may be less favourable than the then prevailing spreads on comparable Floating Rate Certificates tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Certificates. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than the then prevailing rates on its Certificates.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with:

- (a) *the SecurAsset base prospectus dated 6 February 2009 (the "**2009 Base Prospectus**"), the supplement (the "**Second Supplement**") to the 2009 Base Prospectus dated 20 May 2009 and the supplement (the "**Third Supplement**") to the 2009 Base Prospectus dated 17 August 2009 (the 2009 Base Prospectus, the Second Supplement and the Third Supplement together, the "**Supplemented 2009 Base Prospectus**")*);
- (b) *the SecurAsset base prospectus dated 3 February 2010 (the "**2010 Base Prospectus**") and the supplement to the 2010 Base Prospectus dated 31 August 2010 (the "**2010 Supplement**" and, together with the 2010 Base Prospectus, the "**Supplemented 2010 Base Prospectus**")*);
- (c) *the SecurAsset base prospectus dated 23 February 2011 (the "**February 2011 Base Prospectus**")*);
- (d) *the SecurAsset base prospectus dated 1 September 2011 (the "**September 2011 Base Prospectus**")*);
- (e) *the SecurAsset base prospectus dated 1 June 2012 (the "**First June 2012 Base Prospectus**")*);
- (f) *the Issuer's audited financial information and audit report for the financial year ending 31 December 2010 (the "**2010 Annual Accounts**") and the Issuer's (i) audited financial information and audit report for the financial year ending 31 December 2011 and (ii) cash flow statement for the year ending 31 December 2011 (the "**2011 Annual Accounts**" and, together with the 2010 Annual Accounts, the "**Annual Accounts**")*);
- (g) *the information statement relating to BNPP dated 1 June 2012 (the "**Information Statement**")*);
- (h) *the audited consolidated financial statements of BNP Paribas as at, and for the years ended, 31 December 2010 and 31 December 2011 (the "**BNPP 2010 Financial Statements**" and the "**BNPP 2011 Financial Statements**" respectively), together with the respective statutory auditors' reports thereon, as contained, respectively, in BNP Paribas' document de référence in English for 2010 (the "**2010 BNPP Registration Document**") and in BNP Paribas' document de référence in English for 2011 (the "**2011 BNPP Registration Document**")*);
- (i) *the supplement to the consolidated financial statements of BNP Paribas as at, and for the year ended, 31 December 2010 as contained in Chapter 3 of BNP Paribas' First Update to the 2010 Registration Document filed with the AMF on May 6, 2011 (the "**First Update to the 2010 BNPP Registration Document**" and together with the information set out in paragraphs (g) and (h), the "**BNP Paribas Disclosure**")*,

save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that such statement is inconsistent with a statement contained in this Base Prospectus.

The Supplemented 2009 Base Prospectus, the Supplemented 2010 Base Prospectus, the February 2011 Base Prospectus, the September 2011 Base Prospectus, the First June 2012 Base Prospectus, the Annual Accounts, the Information Statement, the 2010 BNPP Registration Document, the First Update to the 2010 BNPP Registration Document and the 2011 BNPP Registration Document have been published and filed

with the CSSF and shall be incorporated in, and form part of, this Base Prospectus save that any statement contained in any such document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that such statement is inconsistent with a statement contained in this Base Prospectus.

The information incorporated by reference above is available as follows:

Information Incorporated by Reference	Reference
SecurAsset <i>The Supplemented 2009 Base Prospectus</i>	
Terms and Conditions of the Notes	Pages 104 - 267 of the 2009 Base Prospectus
Terms and Conditions of the Notes (addition to Condition 3(b) (<i>Guaranteed Notes</i>))	Page 16 of the Second Supplement
Terms and Conditions of the Notes	Pages 61 - 125 of the Third Supplement
Annexes 1 to 9 - Additional Terms and Conditions	Pages 158 - 219 of the 2009 Base Prospectus
SecurAsset <i>The Supplemented 2010 Base Prospectus</i>	
Terms and Conditions of the Notes	Pages 163 - 216 of the 2010 Base Prospectus
Terms and Conditions of the Notes (addition to Condition 3(b) (<i>Guaranteed Notes</i>))	Page 12 of the 2010 Supplement
Terms and Conditions of the Warrants	Pages 217 - 258 of the 2010 Base Prospectus
Terms and Conditions of the Warrants (addition to Condition 2(b) (<i>Guaranteed Warrants</i>))	Page 13 of the 2010 Supplement
Annexes 1 to 11 - Additional Terms and Conditions	Pages 259 – 400 of the 2010 Base Prospectus
SecurAsset <i>The February 2011 Base Prospectus</i>	
Terms and Conditions of the Notes	Pages 172 - 232 of the February 2011 Base Prospectus
Terms and Conditions of the Warrants	Pages 233 - 281 of the February 2011 Base Prospectus
Annexes 1 to 10 - Additional Terms and Conditions	Pages 282 - 457 of the February 2011 Base Prospectus
SecurAsset <i>The September 2011 Base Prospectus</i>	
Terms and Conditions of the Notes	Pages 190 - 251 of the September 2011 Base Prospectus
Terms and Conditions of the Warrants	Pages 252 - 302 of the September 2011 Base Prospectus
Annexes 1 to 10 - Additional Terms and Conditions	Pages 303 - 477 of the September 2011 Base Prospectus

Information Incorporated by Reference	Reference
SecurAsset <i>The First June 2012 Base Prospectus</i>	
Terms and Conditions of the Notes	Pages 193 to 254 of the First June 2012 Base Prospectus
Terms and Conditions of the Warrants	Pages 255 to 305 of the First June 2012 Base Prospectus
Annexes 1 to 10 - Additional Terms and Conditions	Pages 306 to 482 of the First June 2012 Base Prospectus
SecurAsset <i>2010 Annual Accounts</i>	
Combined Balance Sheet as at 31 December 2010	Page 2
Combined Profit and Loss Account for the period from 1 January 2010 to 31 December 2010	Page 3
Balance Sheets and Profit and Loss Accounts for the compartments	Pages 4 to 111
Notes to the Annual Accounts	Pages 112 to 130
Management Report	Page 131
Transparency Statement	Page 132
Cash Flow Statement	Page 133
Independent Auditors Report	Pages 134 to 135
SecurAsset <i>2011 Annual Accounts</i>	
Combined Balance Sheet as at 31 December 2011	Page 2
Combined Profit and Loss Account for the period from 1 January 2011 to 31 December 2011	Page 3
Balance Sheets and Profit and Loss Accounts for the compartments	Pages 4 to 20
Notes to the Annual Accounts	Pages 21 to 36
Management Report	Page 37
Responsibility Statement	Page 38
Corporate Governance Statement	Page 39
Cash Flow Statement	Page 40
Independent Auditors Report	Page 41

Information Incorporated by Reference	Reference
BNP Paribas <i>Information Statement</i>	
The legal and commercial name of BNP Paribas	Page 70 of the Information Statement
The place of registration of BNP Paribas and its registration number	Page 70 of the Information Statement
The date of incorporation and the length of life of BNP Paribas, except where indefinite	Page 70 of the Information Statement
The domicile and legal form of BNP Paribas, the legislation under which BNP Paribas operates, its country of incorporation, and the address and telephone number of its registered office	Page 70 of the Information Statement
A brief description of the principal markets in which BNP Paribas competes	Pages 70 to 85 of the Information Statement
The basis for any statements made by BNP Paribas regarding its competitive position	Pages 17 to 57 of the Information Statement
A brief description of the Group and BNP Paribas' position within it	Pages 70 to 85 of the Information Statement
A statement as to whether or not BNP Paribas complies with its country's of incorporation corporate governance regime(s)	Pages 153 to 155 of the Information Statement
A statement as to whether BNP Paribas is directly or indirectly owned or controlled and by whom and a description of the nature of such control and the measures in place to ensure that such control is not abused	Page 87 of the Information Statement
The amount of the issued share capital, the number and classes of the shares of which BNP Paribas is composed with details of their principal characteristics, the part of the issued capital still to be paid up, with an indication of the number, or total nominal value, and the type of the shares not yet fully paid up, broken down where applicable according to the extent to which they have been paid up	Page 13 of the Information Statement
The register and the entry number therein, and a description of BNP Paribas' objects and purposes and where they can be found in the memorandum and articles of association	Page 70 of the Information Statement
Risk Factors	Pages 5 to 10 of the Information Statement
Selected Financial Data	Pages 11 to 12 of the Information Statement

Information Incorporated by Reference	Reference
Management's Discussion and Analysis of Results of Operations and Financial Condition	Pages 17 to 57 of the Information Statement
Recent Developments including BNP Paribas' 1st quarter results (unaudited) for the 3 month period ended 31 March 2012	Pages 58 to 69 of the Information Statement
Business of the Group	Pages 70 to 85 of the Information Statement
Legal proceedings	Page 86
Main Shareholders	Page 87
Risk Management	Pages 88 to 152 of the Information Statement
Governmental Supervision and Regulation of BNP Paribas in France	Pages 153 to 155 of the Information Statement
Capital Adequacy of the BNP Paribas Group	Pages 156 to 162 of the Information Statement
Management of the Bank	Pages 163 to 167 of the Information Statement
2010 BNPP Registration Document	
BNPP 2010 Financial Statements	
Profit and Loss account for the year ended 31 December 2010	Page 104 of the 2010 BNPP Registration Document
Statement of net income and changes of assets and liabilities recognised directly in equity	Page 105 of the 2010 BNPP Registration Document
Balance sheet at 31 December 2010	Page 106 of the 2010 BNPP Registration Document
Cash Flows statement for the year ended 31 December 2010	Page 107 of the 2010 BNPP Registration Document
Statement of changes in shareholders' equity between 1 January 2009 and 31 December 2010	Pages 108 to 109 of the 2010 BNPP Registration Document
Notes to the financial statements prepared in accordance with international financial reporting standards as adopted by the European Union	Pages 110 to 253 of the 2010 BNPP Registration Document
Statutory Auditors' Report on the Consolidated Financial Statements of BNP Paribas for the year ended 31 December 2010	Pages 254 to 255 of the 2010 BNPP Registration Document
Chapter 5 ("Pillar 3")	Pages 257 to 296 of the 2010 BNPP Registration Document
First Update to the 2010 BNPP Registration Document	
Supplement to the consolidated financial statements of BNP Paribas ended 31 December 2010	Pages 60 to 61 of the First Update to the 2010 BNPP Registration Document

Information Incorporated by Reference	Reference
2011 BNPP Registration Document	
BNPP 2011 Financial Statements	
Profit and loss account for the year ended 31 December 2011	Page 102 of the 2011 BNPP Registration Document
Statement of net income and changes in assets and liabilities recognised directly in equity	Page 103 of the 2011 BNPP Registration Document
Balance sheet at 31 December 2011	Page 104 of the 2011 BNPP Registration Document
Cash flow statement for the year ended 31 December 2011	Page 105 of the 2011 BNPP Registration Document
Statement of changes in shareholders' equity between 1 January 2010 and 31 December 2011	Pages 106 and 107 of the 2011 BNPP Registration Document
Notes to the financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union	Pages 108 to 205 of the 2011 BNPP Registration Document
Statutory Auditors' report on the consolidated financial statements	Pages 206 to 208 of the 2011 BNPP Registration Document
Chapter 5 ("Pillar 3")	Pages 209 to 294 of the 2011 BNPP Registration Document
Additional Information relating to BNP Paribas	
Details relating to BNP Paribas' audit committee, including the names of the committee members and a summary of the terms of reference under which the committee operates	Page 42 of the 2011 BNPP Registration Document

The documents constituting the BNP Paribas Disclosure will be available for viewing on the website of BNPP (https://rates-globalmarkets.bfi.echonet.aspx/public/DisplaySnippet.aspx?id=rates_legal_docs). In addition, this Base Prospectus, the documents incorporated by reference herein and any Final Terms relating to Securities admitted to trading on the Luxembourg Stock Exchange's regulated market as aforementioned will be published on the Internet site of the Luxembourg Stock Exchange at www.bourse.lu.

Any information not listed in the cross reference lists but included in the documents incorporated by reference is either not relevant to prospective investors or is covered elsewhere in this Base Prospectus.

Following the publication of this Base Prospectus, a Base Prospectus Supplement may be prepared by the Issuer and approved by the CSSF in accordance with article 16 of the Prospectus Directive and article 13 of the Prospectus Act 2005. Statements contained in any such Supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of the First June 2012 Base Prospectus, September 2011 Base Prospectus, February 2011 Base Prospectus, the Supplemented 2010 Base Prospectus, the Supplemented 2009 Base Prospectus, the Annual Accounts, the 2010 BNPP Registration Document, the First Update to the 2010 BNPP Registration Document and the 2011 BNPP Registration Document can be obtained from the specified office of the Issuing and Paying Agent or Principal Warrant and Certificate Agent, as applicable (each defined below), at the address given at the end of this Base Prospectus. This Base Prospectus, the September 2011 Base Prospectus, the February 2011 Base Prospectus, the Supplemented 2010 Base Prospectus, the Supplemented 2009 Base Prospectus, the Annual Accounts, the Information Statement, the 2010 BNPP

Registration Document, the First Update to the 2010 BNPP Registration Document and the 2011 BNPP Registration Document are available on the Luxembourg Stock Exchange website at www.bourse.lu. The Information Statement, the 2010 BNPP Registration Document, the First Update to the 2010 BNPP Registration Document and the 2011 BNPP Registration Document will be available for viewing on the website of BNPP (www.invest.bnpparibas.com).

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Securities, prepare a Base Prospectus Supplement to this Base Prospectus or publish a new prospectus for use in connection with any subsequent issue of Securities.

DESCRIPTION OF THE SWAP AGREEMENT

The following description of the Swap Agreement which the Issuer may enter into for each Series should be read in conjunction with the Final Terms for each Series and together this description and such Final Terms consists of a summary of certain provisions of such Swap Agreement which is qualified in its entirety by reference to the detailed provisions of such Swap Agreement for each specific Series. The following summary does not purport to be complete, and prospective investors must refer to the applicable Final Terms and the relevant Swap Agreement for detailed information regarding the relevant Swap Agreement.

Payments under the Swap Agreement

If so specified in the applicable Final Terms, an entity (usually BNP Paribas or BNP Paribas Arbitrage S.N.C.) may enter into one or more swap agreements with the Issuer in its capacity as swap counterparty (the "**Swap Counterparty**") pursuant to the terms of a 2002 ISDA Master Agreement (the "**Master Agreement**") and a Schedule and confirmation thereto (each such agreement, a "**Swap Agreement**").

Each Swap Agreement will, unless otherwise specified in the Final Terms, be entered into in order to allow the Issuer to exchange certain cashflows received by, or to the order of, the Issuer in respect of the issue of the relevant Securities, the Compartment Assets (if any), any Deposit Agreement, any Repurchase Agreement and/or the proceeds of the issue of the relevant Series of Securities or from any other assets of the Issuer relating to that Series of Securities for amounts needed by the Issuer to meet its obligations under the Securities for that Series and any related transactions.

The payments due to be made by the Issuer and the Swap Counterparty in respect of a Swap Agreement will be set out in the Final Terms for a particular Series.

Termination of Swap Agreement

The Swap Agreement will terminate on the Maturity Date unless terminated earlier in accordance with the terms thereof.

Early Termination

Termination of any Swap Agreement prior to the Maturity Date will occur in limited circumstances, including, without limitation:

- (a) payment defaults by the Issuer or the Swap Counterparty under such Swap Agreement;
- (b) breach by the Issuer of any of its obligations under the Trust Deed or Agency Agreement;
- (c) bankruptcy events relating to the Issuer or the Swap Counterparty;
- (d) payment defaults by the Issuer or the Deposit Counterparty under the Deposit Agreement (where applicable);
- (e) the early redemption or an event of default of the Series in respect of which the Swap Agreement has been entered into, including as a result of Increased Cost Hedging or Hedging Disruption (each as defined in "*Terms and Conditions of the Notes*", "*Terms and Conditions of the Warrants*" or "*Terms and Conditions of the Certificates*", as applicable and the relevant Annexes thereto); and
- (f) tax events relating to the Issuer or the relevant Swap Counterparty.

The applicable Final Terms will set out in which circumstances early termination of a Swap Agreement will occur. Unless otherwise specified in the Final Terms, on an early termination of any Swap Agreement, an amount will be payable to or by the Issuer in accordance with the terms of the relevant Swap Agreement. Such termination payment, unless otherwise set out in the relevant Swap Agreement, will be an amount payable equal to (a) the sum of (i) the amount of losses or costs (expressed as a positive number) or

the gains (expressed as a negative number) incurred by the non-defaulting (or non-affected) party as being the amount that such party would have to pay or would receive for entering into a transaction economically replicating the terminated one, ignoring for this purpose any unpaid amounts, as determined by the non-defaulting (or non-affected) party in good faith, in accordance with the relevant provisions of the Master Agreement) and (ii) the Unpaid Amounts (as defined in the Master Agreement) owing to the non-defaulting (or non-affected) party less (b) the Unpaid Amounts owing to the Defaulting (or affected) party. If the amount is positive, the Defaulting (or affected) Party will pay it to the non-defaulting (or non-affected) party; if it is negative, the non-defaulting (or non-affected) Party will pay the absolute value of that amount to the Defaulting (or affected) party. In circumstances where both parties are affected parties, both parties will determine their close out amounts and the amount referred to in (a) will be one half of the sum of the close out amounts calculated. Upon an early termination of a Swap Agreement, there is no assurance that any termination payment payable by the Swap Counterparty to the Issuer will be sufficient to repay the principal amount due to be paid in respect of the Notes and/or any other amounts that are due in respect of the Securities.

Adjustment of the notional amount of the Swap Agreement

Where the applicable Final Terms relating to the Securities specify that a Total Return Swap Agreement (as defined in "*Description of the Total Return Swap Agreement*") has been entered into, the notional amount of the relevant Swap Agreement will, unless the applicable Final Terms provide otherwise, be equal to the product of the initial nominal amount of such Swap Agreement and the Placed Percentage (as defined in "*Description of the Total Return Swap Agreement*"). On each occasion on which there is an increase in the Investor Holding (as defined in the "*Description of the Total Return Swap Agreement*"), the notional amount of the relevant Swap Agreement will be increased to reflect the revised Placed Percentage. On each date where there is a reduction in the Investor Holding, the notional amount of the Swap Agreement will be reduced to reflect the revised Placed Percentage. Where an increase or decrease in the notional amount of the Swap Agreement takes place in a calculation period, for the purposes of calculating any amounts which may be due in respect of the calculation period in which such increase or decrease takes place, the increase or decrease of the notional amount of the Swap Agreement will be deemed to take effect at the beginning of the relevant calculation period. Where Securities are issued and the issue proceeds thereof will be paid to the Swap Counterparty (after the payment of all fees and expenses of the Issuer), the Swap Agreement may include provisions, where applicable, allowing the Swap Counterparty to reduce the amount of collateral which is provided to reflect the number of relevant Securities held at that time by the Swap Counterparty or its affiliates.

Collateralisation

The Swap Counterparty may be required to provide collateralisation in respect of its obligations under the relevant Swap Agreement. Collateralisation may be provided: (a) under a Credit Support Annex; (b) Credit Support Deed or (c) by the deposit of Collateral in an account (the "**Pledged Account**") in the name of the Swap Counterparty secured in favour of the Issuer by a pledge or such other security interest governed by the law of such jurisdiction as specified in the applicable Final Terms (a "**Pledge**") which will be specified in the applicable Final Terms. The amount of any collateralisation and the circumstances in which it is payable will be set out in the applicable Final Terms. The custodian of Collateral posted under a Credit Support Annex or Credit Support Deed may be the Custodian or such other bank or institution as specified in the applicable Final Terms. Any Collateral posted pursuant to a Credit Support Annex and/or any rights of the Issuer under any Credit Support Deed will be secured by a charge on such Collateral or an assignment of such rights in favour of the Trustee for the benefit of the relevant Holders of Securities. It will be a term of the Credit Support Annex that the Swap Counterparty will be entitled to substitute Collateral held under the relevant Credit Support Annex without the consent of the Issuer provided any replacement Collateral has a market value (as determined by the valuation agent under the Credit Support Annex) equal to the value of the Collateral which has been substituted and meets any other criteria specified in the Credit Support Annex. Under the Credit Support Deed, the Swap Counterparty is entitled to substitute Collateral with the consent of the Issuer provided any replacement Collateral has a market value (as determined by the valuation agent under the Credit Support Deed) equal to the value of the

Collateral which has been substituted and meets any other criteria specified in the Credit Support Deed. The Trustee is not responsible for monitoring the market value of the Collateral or any replacement Collateral, and is entitled to rely on certificates of the valuation agent or Swap Counterparty without further investigation or enquiry. Under the Pledge, the Swap Counterparty is entitled to substitute Collateral with the consent of the Issuer provided any replacement Collateral has a market value (as determined by the valuation agent under the Pledge) equal to the value of the Collateral which has been substituted and meets any other criteria specified in the Pledge.

Unless otherwise specified in the applicable Final Terms, the collateral provided under the Credit Support Annex, Credit Support Deed or Pledge (the "**Collateral**"), as applicable, will be: (a) bonds or notes issued or guaranteed by the government of (i) Canada, France, Germany, Italy, Japan, the United Kingdom or the United States of America; or (ii) a country within the Euro-zone; (b) shares, units or other interests in a UCITS Fund; (c) any securities rated AAA/AAA/Aaa by one or more of Standard & Poor's Credit Market Services Europe Limited ("**S&P**") or Fitch Ratings Limited ("**Fitch**") or Moody's Investors Service Ltd. ("**Moody's**") (including, without limitation, government bonds, corporate bonds, asset backed securities, Pfandbriefe and covered bonds); or (d) cash denominated either in euro or sterling or, if not denominated in either euro or sterling, then denominated in the currency specified in the applicable Final Terms.

Each of S&P, Fitch and Moody's is a credit rating agency established and operating in the European Community prior to 7 June 2010 and is registered in accordance with the CRA Regulation pursuant to the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu).

Substitution of Collateral by the Swap Counterparty under a Credit Support Annex will be permitted as set out in Condition 8(g) (*Compartment Asset substitution under a Credit Support Annex, Credit Support Deed or Pledge*) of "*Terms and Conditions of the Notes*", Condition 9(g) (*Compartment Asset substitution under a Credit Support Annex, Credit Support Deed or Pledge*) of "*Terms and Conditions of the Warrants*" and Condition 9(g) (*Compartment Assets substitution under a Credit Support Annex, Credit Support Deed or Pledge*) of "*Terms and Conditions of the Certificates*". Substitution of Collateral by the Swap Counterparty under a Credit Support Deed will be permitted as set out in Condition 8(g) (*Compartment Asset substitution under a Credit Support Annex, Credit Support Deed or Pledge*) of "*Terms and Conditions of the Notes*", Condition 9(g) (*Compartment Assets substitution under a Credit Support Annex or Credit Support Deed*) of "*Terms and Conditions of the Warrants*" and Condition 9(g) (*Compartment Assets substitution under a Credit Support Annex or Credit Support Deed*) of "*Terms and Conditions of the Certificates*" and in the following paragraph. Substitution of Collateral by the Swap Counterparty in respect of the pledged account will be permitted as set out in Condition 8(g) (*Compartment Asset substitution under a Credit Support Annex, Credit Support Deed or Pledge*) of "*Terms and Conditions of the Notes*", Condition 9(g) (*Compartment Asset substitution under a Credit Support Annex, Credit Support Deed or Pledge*) of "*Terms and Conditions of the Warrants*" and Condition 9(g) (*Compartment Asset substitution under a Credit Support Annex, Credit Support Deed or Pledge*) of "*Terms and Conditions of the Certificates*".

If a Credit Support Deed is entered into, under such Credit Support Deed the Swap Counterparty will post Collateral for its obligations under the Swap Agreement and grant English law governed security over such Collateral in favour of the Issuer. Unless specified otherwise in the applicable Final Terms, the amount of credit support to be provided by the Swap Counterparty will be adjusted on a weekly basis so that it is equal in value, as determined by the Calculation Agent, to the MtM Value (or a percentage thereof, as specified in the applicable Final Terms) on each valuation date under the Credit Support Deed. For the avoidance of doubt, the Issuer will not provide any credit support under the Credit Support Deed. Subject to the provisions of the Credit Support Deed, the Issuer will pay all cash, securities or other property it receives in respect of the Collateral to the Swap Counterparty. On any Business Day, the Swap Counterparty, pursuant to the terms of the Credit Support Deed, may give notice to the Issuer that it wishes to transfer new Collateral to the Issuer in exchange for some or all of the Collateral held by the Issuer. On the Business Day immediately following such request (provided that where consent is required from the Issuer, such consent is given), the Issuer will be obliged to transfer Collateral (the "**Exchanged Securities**") of the same type, nominal value and amount as those requested by the Swap Counterparty

against receipt from the Swap Counterparty of new Collateral with a market value (as of the date of such transfer) as close as practicable to, but in any event not less than, as determined by the Calculation Agent, the market value (on the previous valuation date under the Swap Agreement) of the Exchanged Securities.

If a Pledge is entered into which is governed by Luxembourg law (as specified in the applicable Final Terms), under such Pledge the Swap Counterparty will hold Collateral for its obligations under the Swap Agreement in an account in the name of the Swap Counterparty and will grant security governed by Luxembourg law (particularly the law of 5 August 2005 on financial collateral arrangements as amended (*loi du 5 août 2005 sur les contrats de garantie financière comme modifiée*)) over such Collateral (including all amounts received by or payable to the Swap Counterparty in respect of any present and future assets whatsoever standing now and/or in the future to the credit of the Pledged Account and any claim to the credit balance thereof) in favour of the Issuer as pledgee.

"Euro-zone" means the region comprised of Member States of the European Union that adopt the euro in accordance with the Treaty on the Functioning of the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992), the Treaty of Amsterdam (2 October 1997) and the Treaty of Nice (26 February 2001).

"UCITS Fund" means an investment fund that qualifies as an undertaking for collective investment in transferable securities within the scope of Council Directive 85/611/EEC of 20 December 1985 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as such directive is amended, superseded and replaced from time to time.

"MtM Value" means, with respect to a valuation date under the Credit Support Deed, an amount determined by the Calculation Agent in its sole discretion as the amount which would be payable by the Swap Counterparty in respect of the early termination of the Swap Agreement on such valuation date.

Transactions where a Swap Agreement is the only Charged Asset

In relation to a Series of Securities where a Swap Agreement is the only Charged Asset, such Swap Agreement may be modified to replicate the economic effect of the Total Return Swap Agreement so that the fair market value of the Collateral is always equal to the market value of Securities held by Holders of Securities other than the Swap Counterparty.

In such circumstances, where the Swap Counterparty (or its affiliates) purchase Securities and wish to reduce the amount of Collateral posted, they are required to notify the Issuer and the Trustee of their holding of such Securities, and the Collateral posted under the Credit Support Annex, Credit Support Deed or Pledge would be reduced so that the fair market value of the Collateral would be equal to the fair market value of the Securities held by Holders of Securities other than the Swap Counterparty. Where the Swap Counterparty (or its affiliates) purchases Securities, it may deliver such Securities to the Issuer for cancellation.

Upon the occurrence of an Event of Default under the Securities or early termination of the Swap Agreement, the Swap Counterparty (or its affiliates) is obliged to deliver the Securities of such Series held by it to the Issuer. Either or upon downgrade of the rating of the Swap Counterparty (or BNP Paribas if the Swap Counterparty is BNP Paribas Arbitrage S.N.C.) below the level specified in the relevant Swap Agreement (or such earlier time specified in the applicable Final Terms), any Securities held by the Swap Counterparty (or its affiliates) will be transferred to an account over which security is granted in favour of the Issuer.

Upon the occurrence of an Automatic Exercise Event in respect of the relevant Series of Warrants, to the extent that Warrants held by the Swap Counterparty (or its affiliates) have not been delivered to the Issuer for cancellation, the Swap Counterparty is obliged to pay the Cash Settlement Amount in respect of all the unexercised Warrants of such Series (including those held by the Swap Counterparty or its affiliates).

Taxation

Neither the Issuer nor the Swap Counterparty is obliged under the Swap Agreement to gross up any payment to be made under the Swap Agreement if withholding taxes are imposed. However, imposition of such withholding taxes may lead to the early termination of the relevant Swap Agreement.

Exclusivity

The Issuer has agreed that it shall only enter into a Swap Agreement where BNP Paribas, BNP Paribas Arbitrage S.N.C. or any member of the Group is the counterparty, unless otherwise agreed by BNP Paribas Arbitrage S.N.C. or BNP Paribas.

DESCRIPTION OF THE DEPOSIT AGREEMENT

The following description of the Deposit Agreement which the Issuer may enter into for each Series of Securities should be read in conjunction with the Final Terms for each Series and together this description and such Final Terms consists of a summary of certain provisions of such Deposit Agreement which is qualified in its entirety by reference to the detailed provisions of such Deposit Agreement for each specific Series of Securities. The following summary does not purport to be complete, and prospective investors must refer to the applicable Final Terms and the relevant Deposit Agreement for detailed information regarding the relevant Deposit Agreement.

Deposit

If specified in the applicable Final Terms, some or all of the proceeds of the Securities received by the Issuer on the Issue Date will be deposited in a bank account (such deposit, the "**Deposit**" and such account, the "**Deposit Account**") pursuant to a deposit agreement (the "**Deposit Agreement**") entered into on the Issue Date between the Issuer and such other entity specified in the applicable Final Terms (the "**Deposit Counterparty**").

Security

The Issuer will grant security over its rights under the Deposit Agreement in favour of the Trustee for itself and as trustee for the Secured Parties in the manner set out in the applicable Final Terms for the relevant Series of Securities.

Interest

The Final Terms will specify the rate of interest (if any) applicable to the Deposit.

Repayment

The Final Terms will specify the date and terms on which the Deposit (and any interest accrued, if applicable) will be repaid to the Issuer.

Early repayment on a redemption following Swap Counterparty optional termination

If Condition 7(f) (*Redemption following Swap Counterparty optional termination*) of "*Terms and Conditions of the Notes*", if Condition 9(h) (*Swap Counterparty optional termination*) of "*Terms and Conditions of the Warrants*" or if Condition 9(h) (*Swap Counterparty optional termination*) of "*Terms and Conditions of the Certificates*" is specified as applying in the applicable Final Terms, in the event that notice is given in accordance with such Condition, the Deposit will, unless otherwise specified in the applicable Final Terms, become repayable on the date specified for redemption of the relevant Notes or Certificates or the exercise of the Warrants, as the case may be (or such other date as is specified in the applicable Final Terms) in accordance with the Conditions together with, in the case of Notes or Certificates, any interest accrued and unpaid to such date.

Early repayment on a redemption following Issuer optional redemption

If Condition 7(c) (*Redemption at the Option of the Issuer*) of "*Terms and Conditions of the Notes*", if Condition 8(d) (*Termination at the Option of the Issuer*) of "*Terms and Conditions of the Warrants*", or if Condition 8(c) (*Redemption at the Option of the Issuer*) of "*Terms and Conditions of the Certificates*" is specified as applying in the applicable Final Terms, in the event that notice is given in accordance with such Conditions, the Deposit will, unless otherwise specified in the applicable Final Terms, become repayable on the date specified for redemption of the relevant Notes or Certificates, or the termination of the Warrants, as the case may be (or such other date as is specified in the applicable Final Terms) in accordance with the Conditions together with, in the case of Notes or Certificates, any interest accrued and unpaid to such date.

Early repayment on a redemption following optional redemption by the relevant Holder of Securities

If Condition 7(d) (*Redemption at the Option of the Noteholders*) of "*Terms and Conditions of the Notes*" or Condition 8(d) (*Redemption at the Option of the Certificateholders*) of "*Terms and Conditions of the Certificates*" is specified as applying in the applicable Final Terms, in the event that notice is given in accordance with such Condition, the Deposit will, unless otherwise specified in the applicable Final Terms, become repayable on the date specified for redemption of the relevant Notes or Certificates, as the case may be, (or such other date as is specified in the applicable Final Terms) in accordance with the applicable Conditions together with any interest accrued and unpaid to such date.

Early repayment on purchase of Securities by the Issuer

Upon purchase of Notes pursuant to Condition 7(i) (*Purchases*) of "*Terms and Conditions of the Notes*", purchase of Warrants pursuant to Condition 8(a) (*Purchases*) of "*Terms and Conditions of the Warrants*", or purchase of Certificates pursuant to Condition 8(i) (*Purchases*) of "*Terms and Conditions of the Certificates*" the Deposit will, unless otherwise specified in the applicable Final Terms, become repayable on the date of such purchase in a principal amount equal to the lesser of (i) in the case of the Notes or Certificates, an amount equal to the number of Notes or Certificates, as the case may be, that are so purchased divided by the total number of Notes or Certificates remaining outstanding immediately prior to such purchase multiplied by the then current value of the Deposit and, in the case of the Warrants, an amount equal to the number of Warrants that are so purchased divided by the total number of Warrants remaining unexercised immediately prior to such purchase multiplied by the then current value of the Deposit; and (ii) the balance standing to the credit of the Deposit Account, provided that if the Charged Assets relating to such Securities are constituted by a combination of Compartment Assets and Cash Assets, a *pro rata* proportion of the Deposit shall become so repayable and provided further that where the Securities are to be purchased in full, the Deposit shall be repaid in full together with any interest accrued and unpaid thereon.

Early repayment on purchase of Securities by the Swap Counterparty

Unless otherwise specified in the applicable Final Terms, upon termination of the Swap Agreement in whole or in part following the service of a written notice on the Issuer by the Swap Counterparty in accordance with Condition 8(h)(ii) (*Repurchase*) of "*Terms and Conditions of the Notes*", Condition 9(h)(ii) (*Repurchase*) of "*Terms and Conditions of the Warrants*" or Condition 9(h)(ii) (*Repurchase*) of "*Terms and Conditions of the Certificates*" the Deposit shall become repayable in an amount equal to the lesser of: (i) the Proportion (as defined, in the case of Notes, in Condition 8(h)(ii) of "*Terms and Conditions of the Notes*", in the case of Warrants, Condition 9(h)(ii) of "*Terms and Conditions of the Warrants*" and, in the case of Certificates, Condition 9(h)(ii) of "*Terms and Conditions of the Certificates*"); and (ii) the balance standing to the credit of the Deposit Account, provided that if the Charged Assets relating to such Securities are constituted by a combination of Compartment Assets and cash, a *pro rata* proportion of the Deposit shall become so repayable.

Early repayment on purchase of Notes or Certificates by the TRS Counterparty

Unless otherwise specified in the applicable Final Terms, upon notice being given by the TRS Counterparty that it will purchase Notes or Certificates to be added to its TRS Holding (as defined in "*Description of the Total Return Swap*"), the Deposit shall become repayable on the date of such purchase in an amount equal to the lesser of: (i) the principal amount outstanding on the Notes or the aggregate notional amount of the Certificates, as the case may be, which have been so purchased as adjusted by the Adjustment Factor (as defined in "*Description of the Total Return Swap*"); and (ii) the balance standing to the credit of the Deposit Account.

Further deposits on sale of Notes or Certificates by the TRS Counterparty

Unless otherwise specified in the applicable Final Terms, upon the sale by the TRS Counterparty of any Notes or Certificates comprising its TRS Holding, the Issuer will make a further deposit of the proceeds of such sale pursuant to the Deposit Agreement.

Repayment

The relevant amount repayable to the Issuer under the Deposit Agreement shall be paid on such date to such compartment account with such bank as the Issuer (or the Swap Counterparty, on behalf of the Issuer) may direct.

Ratings

The Final Terms will specify what ratings, if any, the bank where such Deposit Account is opened will be required to maintain.

Taxation

Unless otherwise specified in the applicable Final Terms, all payments by the Deposit Counterparty will be made net of any deduction or withholding of any nature required to be made from such payments by applicable law or regulation.

Purchase of Securities by the Deposit Counterparty

If specified in the applicable Final Terms, the Issuer may agree to purchase Securities which have been purchased by the Deposit Counterparty. Such purchase by the Issuer will be funded by the realisation of the equivalent proportion of the Charged Assets. Any such purchase by the Issuer will be made in accordance with Condition 7(i) (*Purchases*) of "*Terms and Conditions of the Notes*" (in the case of Notes), Condition 8(a) (*Purchases*) of "*Terms and Conditions of the Warrants*" (in the case of Warrants) and Condition 8(i) (*Purchases*) of "*Terms and Conditions of the Certificates*" (in the case of Certificates).

DESCRIPTION OF THE REPURCHASE AGREEMENT

The following description of the Repurchase Agreement should be read in conjunction with the Final Terms for each Series of Securities and together this description and such Final Terms consists of a summary of certain provisions of the Repurchase Agreement which is qualified by reference to the detailed provisions of the Repurchase Agreement for each specific Series of Securities. The following summary, in conjunction with the summary in the applicable Final Terms, does not purport to be complete, and prospective investors must refer to the relevant Repurchase Agreement for detailed information regarding the Repurchase Agreement.

Repurchase Agreement

If specified in the Final Terms, the entity specified in the Final Terms as being the repo counterparty (in such capacity, the "**Repo Counterparty**") and the Issuer will enter into one or more master repurchase agreements, in each case substantially in the form of (i) a 2000 TBMA/ISMA Global Master Repurchase Agreement, (ii) an FBF Master Agreement for Purchase Transactions (*Convention Cadre FBF relative aux opérations de pensions livrées*) or (iii) a similar master agreement for repurchase transactions (each as amended, supplemented or otherwise modified from time to time and each a "**Master Repurchase Agreement**"). Pursuant to the Master Repurchase Agreement the Issuer may enter into a series of repurchase transactions (each a "**Transaction**") for each Series of Securities (together, for each Series, a "**Repurchase Agreement**") with the Repo Counterparty in respect of the securities or other assets specified in the applicable Final Terms. Under each such Transaction, the Repo Counterparty will be the seller of Compartment Assets and the Issuer will be the buyer. The purchase date (the "**Purchase Date**") and repurchase date (the "**Repurchase Date**") for each such Transaction will be set out in the applicable Final Terms, with the last such Transaction terminating on the relevant Scheduled Maturity Date or Scheduled Settlement Date, as applicable, subject to early termination in accordance with its terms.

The Issuer will grant security over its rights under the Repurchase Agreement and over the Compartment Assets purchased thereunder in favour of the Trustee for itself and as trustee for the Secured Parties in the manner set out in the applicable Final Terms for the relevant Series of Securities.

Under the Repurchase Agreement, on the Issue Date for each Series of Securities, the Issuer will purchase from the Repo Counterparty Compartment Assets for a consideration and with a market value equal to the amount set out in the applicable Final Terms save as set out in "*Adjustment of the Repurchase Agreement Notional Amount*". On each Repurchase Date for each Series of Securities, the Repo Counterparty will repurchase securities equivalent to the Compartment Assets sold by it in relation to such Series of Notes, Warrants or Certificates on the previous Purchase Date for a consideration equal to the purchase price for that Transaction as specified in the applicable Final Terms together with a price differential (the "**Price Differential**") (together, in each case for each Series of Securities, the "**Repurchase Price**"). Subsequent Transactions need not relate to the same portfolio of Compartment Assets, but will have the same purchase price or a purchase price equal to, in the case of Placed Notes, the market value of such Placed Notes, in the case of Placed Warrants, the market value of such Placed Warrants, and in the case of Placed Certificates, the market value of such Placed Certificates (as defined in "*Description of the Total Return Swap Agreement*") (in each case for each Series of Securities, the "**Purchase Price**"), as described below or as otherwise specified in the Final Terms.

Capitalised terms used in this "Description of the Repurchase Agreement" and not defined herein shall have the meanings given to them in the Final Terms for the relevant Series of Securities.

Purchase of additional Compartment Assets

Other than as set out above, the Final Terms may specify certain events (which may include the payment of a Cash Settlement Amount to the Issuer under the relevant Swap Agreement) which will lead to the Issuer purchasing additional Compartment Assets from time to time under the Repurchase Agreement on any Purchase Date or during a Transaction.

Margin maintenance and fair market value

The market value of the Compartment Assets which are the subject of the current Transaction under each Repurchase Agreement for a Series will be determined by the Repo Counterparty on a weekly basis (unless otherwise specified in the applicable Final Terms) at such time as is specified in the Final Terms. If on any day the Issuer has a Net Exposure to the Repo Counterparty exceeding the amount specified as the Net Exposure Limit for that Series of Securities in the applicable Final Terms, the Repo Counterparty will within the number of Business Days specified in the applicable Final Terms transfer further Compartment Assets of that Series with a market value at least equal to such Net Exposure with the Issuer as margin under the relevant Repurchase Agreement; if, on any day, an amount of such margin equal to the relevant Net Exposure Limit is no longer required because of a fall in Net Exposure, the Issuer will retransfer it to the Repo Counterparty upon request by the Repo Counterparty.

For this purpose, the Issuer has a "**Net Exposure**" to the Repo Counterparty under the applicable Repurchase Agreement if the relevant Repurchase Price multiplied by the relevant Over Collateralisation Level exceeds the market value of the relevant Compartment Assets which are the subject of the then current Transaction by an amount greater than the market value of Compartment Assets already posted as margin in relation to a particular Series.

"**Over Collateralisation Level**" means, for each Repurchase Agreement relating to a Series of Securities, the level specified in the applicable Final Terms.

Early termination and cancellation

Any Repurchase Agreement for a Series of Securities will be subject to early termination only in limited circumstances, including without limitation:

- (a) payment defaults by the Issuer or the Repurchase Counterparty under such Repurchase Agreement;
- (b) bankruptcy events relating to the Issuer or the relevant Repo Counterparty;
- (c) in the case of Notes and Certificates, the early redemption or, in the case of Warrants, the cancellation, as applicable, or an event of default of the Series of Securities in respect of which the Repurchase Agreement has been entered into; and
- (d) tax events relating to the Issuer or the relevant Repo Counterparty.

The applicable Final Terms will set out in which circumstances early termination of a Repurchase Agreement will occur. Upon early termination of the Repurchase Agreement, a termination payment may be due between the parties in accordance with the terms of the relevant Repurchase Agreement.

Further notes or warrants

If the Issuer issues further notes pursuant to Condition 16 (*Further Notes*) of "*Terms and Conditions of the Notes*", further Warrants pursuant to Condition 15 (*Further Warrants*) of "*Terms and Conditions of the Warrants*", or further Certificates pursuant to Condition 17 (*Further Certificates*) of "*Terms and Conditions of the Certificates*" as applicable, the Issuer may purchase from the Repo Counterparty Compartment Assets for a consideration of, and with a market value equal to, the principal amount of such further notes (or such proportion as is specified where an amount less than the full proceeds of the issue of such further notes is used to purchase Compartment Assets) or the aggregate issue price of such further Warrants (or such proportion as is specified where an amount less than the full proceeds of the issue of such further Warrants, is used to purchase Compartment Assets), or the aggregate issue proceeds such further Certificates (or such proportion as is specified where an amount less than the full proceeds of the issue of such further Certificates is used to purchase Compartment Assets) each as set out in the applicable Final Terms. Following such issue, the Repurchase Price for the then current Transaction shall be increased by such principal amount (or such proportion of such principal amount) or the aggregate issue price (or such proportion of such market aggregate issue price) and the Purchase Price for all subsequent Transactions

shall then be increased by an amount equal to such principal amount (or such proportion of such principal amount) or such aggregate issue price (or such proportion of such aggregate issue price).

Substitution of Compartment Assets

For each Series of Securities, the Repurchase Agreement will permit the Repo Counterparty to deliver to the Issuer new Compartment Assets in substitution or exchange for existing Compartment Assets relating to a Series of Securities, subject to the relevant Repurchase Agreement, provided that such substitution or exchange does not result in the Issuer becoming subject to a Net Exposure under the current Transaction for that Series of Securities. Such substitution or exchange in respect of Compartment Assets relating to any Series shall take place without the need for the Repo Counterparty to obtain any prior consents.

Adjustment of the notional amount of the Repurchase Agreement

Where the applicable Final Terms specify that a Total Return Swap Agreement has been entered into, if the TRS Holding relating to the Securities decreases as a result of the sale by the TRS Counterparty, or any affiliate, of Securities which form part of the TRS Holding to investors, on the date of such sale, the Repo Counterparty will sell to the Issuer securities with a market value at such date equal to the principal amount outstanding of such Notes, the aggregate fair market value of such Warrants and Certificates, as the case may be, (or, where only part of the issue proceeds of the Securities was used by the Issuer to purchase Compartment Assets (the proportion of such issue proceeds so used being the "**Original Purchase Proportion**"), securities with a market value equal to a proportion of the principal amount outstanding of such Notes (in the case of Notes), or the fair market value (in the case of Certificates or Warrants) of such Certificates or Warrants, as the case may be, equal to the Original Purchase Proportion). Upon such purchase, the securities acquired by the issuer will be Compartment Assets. If the TRS Holding increases as a result of the purchase by the TRS Counterparty, or any affiliate, of Securities which will form part of the TRS Holding, on the date of such purchase, the Repo Counterparty will purchase from the Issuer equivalent securities to the Compartment Asset with a market value as at such date equal to the principal amount outstanding of such Notes or the aggregate fair market value of such Warrants or Certificates, as the case may be (or, where only part of the issue proceeds of the Securities was used by the Issuer to purchase Compartment Assets, equivalent securities to Compartment Assets with a market value equal to a proportion of the principal amount outstanding of such Notes, or the aggregate fair market value of the Certificates or Warrants, as the case may be, which will be added to the TRS Holding equal to the Original Purchase Proportion).

Upon the adjustment of the TRS Holding in the period between Repurchase Dates, any adjustment will be deemed to have taken effect on the immediately preceding Purchase Date for the purposes of calculating the Price Differential due from the Repo Counterparty.

Downgrade

The Repo Counterparty may be required to provide collateralisation in respect of its obligations under the Repurchase Agreement upon the occurrence of certain events linked to the rating of the Repo Counterparty. The amount of collateralisation and the circumstances in which it is due to be paid will be set out in the Final Terms.

DESCRIPTION OF THE TOTAL RETURN SWAP AGREEMENT

The following description of the Total Return Swap Agreement which the Issuer may enter into for each Series should be read in conjunction with the Final Terms for each Series and together this description and such Final Terms consists of a summary of certain provisions of such Total Return Swap Agreement which is qualified in its entirety by reference to the detailed provisions of such Total Return Swap Agreement for each specific Series. The following summary, in conjunction with the summary in the applicable Final Terms, does not purport to be complete, and prospective investors must refer to the applicable Final Terms and Total Return Swap Agreement for detailed information regarding the relevant Total Return Swap Agreement.

General

If specified in the applicable Final Terms, on the Issue Date of a Series, the Issuer will enter into a total return swap agreement (the "**Total Return Swap Agreement**") with BNP Paribas (in such capacity, the "**TRS Counterparty**") in respect of the Securities. The Total Return Swap Agreement will incorporate the terms of a 2002 ISDA Master Agreement (Multicurrency - Cross Border) and schedule and a confirmation relating thereto. No party may assign its rights or obligations under the Total Return Swap Agreement without the prior written consent of the other party and of the Trustee.

Purpose

The Total Return Swap Agreement allows the Issuer to release the relevant proportion of Compartment Assets or collateral under the relevant Swap Agreement that relates to each Security that is purchased and held by the TRS Counterparty or, where the TRS Counterparty purchases Securities on the Issue Date, the principal amount outstanding (in the case of Notes), the aggregate fair market value of the Warrants (in the case of Warrants) or the aggregate fair market value (in the case of Certificates) so purchased will be paid by the Issuer to the TRS Counterparty and no Compartment Assets or collateral under the Swap Agreement will be purchased and/or provided in an amount equal to the principal amount outstanding (in the case of Notes), the aggregate fair market value of the Warrants (in the case of Warrants) or the aggregate fair market value (in the case of Certificates), as the case may be, so purchased by the TRS Counterparty. The TRS Counterparty may buy and sell Securities in the secondary market, and therefore the TRS Holding may increase and decrease, during the term of the Total Return Swap Agreement. An amount equal to the interest and principal amounts due under Notes and amounts due under the Warrants and Certificates that comprise the TRS Holding will be paid by the TRS Counterparty to the Issuer to allow the Issuer to make any payments due to be made by it in respect of all of the Securities (regardless of whether such Securities form part of the TRS Holding or the Investor Holding).

Initial payments

On the Issue Date, the Issuer will pay to the TRS Counterparty under the Total Return Swap Agreement an amount equal to the principal amount outstanding of the Notes purchased by the TRS Counterparty or any affiliate on the Issue Date and not sold by the TRS Counterparty to investors on such date (in the case of Notes), the amount equal to the number of Warrants purchased by the TRS Counterparty or any affiliate on the Issue Date and not sold by the TRS Counterparty to investors on such date multiplied by the Issue Price of such Warrants or the amount equal to the number of Certificates purchased by the TRS Counterparty or any affiliate on the Issue Date and not sold by the TRS Counterparty to investors on such date multiplied by the Issue Price of such Certificates. The TRS Holding as at the Issue Date will be set out in the Total Return Swap Agreement.

Interim payments

On each Interest Payment Date and any other date on which a payment is due, other than final redemption, in respect of the Notes or Certificates, as applicable, the TRS Counterparty will pay to the Issuer under the Total Return Swap Agreement an amount in the currency in which the Notes or Certificates are denominated equal to the amount due to the holder of each Note or Certificate which forms part of the TRS

Holding as at such Interest Payment Date. Where the TRS Holding has decreased in the Interest Period immediately preceding the relevant Interest Payment Date as a result of the sale of any Notes or Certificates to an investor by the TRS Counterparty, the amount payable on such Interest Payment Date by the TRS Counterparty will decrease proportionately so that, in respect of those Notes or Certificates which were sold to an investor, the TRS Counterparty will not be liable to make any payment in respect thereof for the Interest Period during which the relevant sale took place.

Final payments

On any date on which the Notes or Certificates, as applicable, are to be redeemed or the Warrants are to be exercised, the TRS Counterparty will pay to the Issuer under the Total Return Swap Agreement an amount in the currency in which the relevant Securities are denominated equal to the product of the redemption amount of each applicable Note or Certificate which is due to be redeemed on such date or the settlement amount of each Warrant which is due to be exercised on such date and the number of Securities which form part of the TRS Holding together with any accrued and unpaid interest (where applicable) or such other amount specified in the applicable Final Terms.

Decrease in the TRS Holding

If the TRS Counterparty sells Securities which are part of the TRS Holding to investors, the TRS Holding will decrease by the number of Securities which are subject to such sale and the TRS Counterparty will:

- (a) give the Issuer, the Repo Counterparty (if any), the Deposit Counterparty (if any) and the relevant Swap Counterparty two Business Days prior notice of such sale and confirmation of the TRS Holding following such sale; and
- (b) under the Total Return Swap Agreement, pay to the Issuer on the date on which there is such a sale an amount equal to the principal amount outstanding of the Notes or the aggregate fair market value of the Warrants so sold (as applicable) which have been sold to investors and which has led the TRS Holding to decrease (adjusted so that the Issuer receives an amount necessary to ensure that it holds Charged Assets equal to the fair market value of the Investor Holding) which the Issuer will use to purchase additional Compartment Assets under the relevant Repurchase Agreement, to pay to the Swap Counterparty under the relevant Swap Agreement or to pay the Deposit Counterparty under the relevant Deposit Agreement, as the case may be.

Increase in the TRS Holding

If the TRS Counterparty purchases Securities which it wishes to add to the TRS Holding, the TRS Holding will increase by the number of Securities which are subject to such purchase and:

- (a) the TRS Counterparty will give the Issuer, the Repo Counterparty (if any), Deposit Counterparty (if any) and the relevant Swap Counterparty two Business Days prior notice of such purchase and confirmation of the TRS Holding following such purchase; and
- (b) under the Total Return Swap Agreement, the Issuer will either (i) pay to the TRS Counterparty on the date on which there is such a purchase an amount equal to the principal amount outstanding of the Notes, or the aggregate fair market value of the Warrants or the aggregate fair market value of the Certificates (as applicable) which have been purchased and which has led to the TRS Holding increasing (as adjusted to apply a factor (the "**Adjustment Factor**") equal to the fair market value factor applied to determine the amount of Compartment Assets that were held in relation to such principal amount of Notes, the number of the Warrants or the number of the Certificates so purchased (as the case may be)) using the sale proceeds of the Compartment Assets sold to the Repo Counterparty by the Issuer under the Repurchase Agreement; or (ii) deliver to the TRS Counterparty on the date on which there is such a purchase an amount of Compartment Assets equal to the principal amount outstanding of the Notes or the

aggregate fair market value of the Warrants or the Certificates (as the case may be) so purchased (as adjusted by application of the Adjustment Factor); or (iii) pay to the TRS Counterparty on the date on which there is such a purchase amounts received by the Issuer from the Swap Counterparty and/or Deposit Counterparty in accordance with the terms of the relevant Swap Agreement or Deposit Agreement, as the case may be, such that the proportion of the notional amount of the Swap Agreement and/or the amounts held on deposit in relation to each Security which is part of the Investor Holding following such purchase is the same as the proportion per Security in the Investor Holding that was held prior to such purchase.

Termination

The Total Return Swap Agreement will be subject to early termination, in whole or in part, in limited circumstances including, without limitation, failure by the Issuer or the TRS Counterparty to perform all of their respective obligations under the Total Return Swap Agreement entered into in connection with the Securities (including, without limitation, failure by the TRS Counterparty to comply with all its obligations upon a reduction in its rating in accordance with the terms of the Total Return Swap Agreement and as set out under "*Downgrade of TRS Counterparty and collateralisation*" below), bankruptcy events relating to the Issuer or the TRS Counterparty and tax events relating to the Issuer or the TRS Counterparty.

On an early termination of any Total Return Swap Agreement, in lieu of making a termination payment to the Issuer, the TRS Counterparty will satisfy its obligations to pay such amount by delivery to the Issuer of a number of relevant Securities equal to the TRS Holding at the date on which the Total Return Swap Agreement terminates prior to the next date on which the Issuer is due to make a payment under the applicable Securities. Save for the foregoing, no other payments will be due between the Issuer and the TRS Counterparty on an early termination of the Total Return Swap Agreement.

Where the Issuer fails to make a payment to the TRS Counterparty following the purchase of Securities by the TRS Counterparty or any affiliate thereof, such Securities will not form part of the TRS Holding until payment of the relevant amount in full.

Downgrade of TRS Counterparty and collateralisation

If the short term unsubordinated unsecured debt of BNP Paribas ceases to be rated at least A-1 by Standard & Poor's, the TRS Counterparty will, within 30 Business Days of such downgrade, grant security as specified in the applicable Final Terms in favour of the Issuer over an account in which the TRS Holding will be placed and the Issuer will grant security in favour of the Trustee as specified in the applicable Final Terms.

In addition, the TRS Counterparty will enter into appropriate fair market value collateral support arrangements based on the form of the 1995 Credit Support Annex governed by English law which will relate to collateral in the form of cash support of its obligations under the Total Return Swap Agreement (the "**Credit Support Annex**") with the Issuer (which will form part of the Total Return Swap Agreement). Further, the Issuer will, within such 30 Business Days, enter into a guaranteed investment contract (the "**GIC**") with a bank with a short term rating of at least A-1 by Standard & Poor's under which an investment account (the "**GIC Account**") will be established and the costs of entry into such GIC and the GIC Account shall be borne by the TRS Counterparty. Under the Credit Support Annex, the TRS Counterparty will deliver cash collateral to the Issuer, which the Issuer will credit to the GIC Account, in an amount equal to the payment due to be made by the TRS Counterparty to the Issuer under the Total Return Swap Agreement on the next succeeding Interest Payment Date (if any) (the "**Total Return Swap Collateral Amount**").

Following the deposit of the first Total Return Swap Collateral Amount in the GIC Account, on the immediately following Interest Payment Date, the TRS Counterparty shall deposit in the GIC Account an amount equal to the anticipated amount payable by the TRS Counterparty on the Interest Payment Date

immediately following such Interest Payment Date which shall form part of such Total Return Swap Collateral Amount.

On each Interest Payment Date following the deposit of the Total Return Swap Collateral Amount, the Issuer shall procure that the amount due from the TRS Counterparty to the Issuer on such date is transferred from the GIC Account to the Compartment Account and the TRS Counterparty's obligation to pay such amount on such date shall be deemed to have been satisfied following such transfer. Where such amount due is lower than the anticipated amount delivered to the Issuer as part of the Total Return Swap Collateral Amount calculated in respect of such Interest Payment Date in the manner set out above, the excess shall be returned forthwith to the TRS Counterparty or if such amount is higher than such anticipated amount, the TRS Counterparty will forthwith deposit an amount equal to the deficiency in the GIC Account.

Upon entry by the Issuer into the Credit Support Annex and the GIC, the Issuer will procure that its rights thereunder are secured in a manner satisfactory to the Trustee. Following the entering into the Credit Support Annex and prior to the establishment of the GIC Account, such cash collateral will be paid into the Compartment Account (as defined in Condition 8 (*Compartment Assets*)).

If the short term unsecured unsubordinated debt of BNP Paribas is subsequently rated at A-1 by Standard & Poor's, then an amount of cash equivalent to any collateral delivered pursuant to the terms of the Credit Support Annex and which is still comprised in the GIC Account shall promptly be paid by the Issuer to the TRS Counterparty.

Alternatively, if so provided in the applicable Final Terms, the TRS Counterparty will establish an account in which the TRS Holding will be placed and grant security as specified in the applicable Final Terms in favour of the Issuer as of the Issue Date of the relevant Securities or such other date specified in the applicable Final Terms and the Issuer will grant security in favour of the Trustee as specified in the applicable Final Terms.

Definitions

In connection with the Total Return Swap Agreement, the following capitalised terms shall have the meaning set out below:

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

"Investor Holding" means, at any time, the number of Notes, Warrants or Certificates, as applicable, outstanding less the number of such Notes, Warrants or Certificates (as the case may be) which form part of the TRS Holding at such time.

"Placed Securities" means, at any time, the Securities which form the Investor Holding at such time.

"Placed Percentage" means, as at any date, the number of Securities which form part of the Investor Holding divided by the total number of such Securities outstanding at such date, expressed as a percentage.

"TRS Holding" means, at any time, the number of Notes, Warrants or Certificates, as applicable, held by the TRS Counterparty or any Affiliate at such time, which are designated by the TRS Counterparty on the Issue Date as forming part of the TRS Holding (**"Designated Securities"**) and any other Securities which the TRS Counterparty or any Affiliate subsequently purchases and notifies the Issuer and the Repo Counterparty (if any) that such Securities shall form part of the TRS Holding (**"Notified TRS Securities"**) less any number of Securities which were Notified TRS Securities or Designated Securities but which the TRS Counterparty or any Affiliate thereof sells to investors and notifies the Issuer and the Repo Counterparty (if any) that such Securities shall no longer form part of the TRS Holding. Upon delivery by the TRS Counterparty to the Issuer under the Total Return Swap Agreement of the Securities forming the TRS Holding following termination of such Total Return Swap Agreement, the TRS Holding will be zero.

FORM OF NOTES

Each Series (and/or Tranche, as the case may be) of Notes will be either Bearer Notes (with or without interest coupons attached) issued outside the United States only in reliance on the exemption from registration provided by Regulation S or Registered Notes (without interest coupons attached) issued outside the United States in reliance on the exemption from registration provided by Regulation S.

Bearer Notes

Each Series (and/or Tranche, as the case may be) of Bearer Notes will be initially issued in the form of a temporary global Note or, if so specified in the applicable Final Terms, a permanent global Note which, in either case, will be delivered on or prior to the original issue date of the Series (and/or Tranche, as the case may be) to a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg.

Bearer Global Notes (as defined in "*Terms and Conditions of the Notes*") will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Registered Notes

The Registered Notes of each Series (and/or Tranche, as the case may be) offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a Regulation S Global Note (as defined in "*Terms and Conditions of the Notes*"). Beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

Registered Global Notes in the form of Regulation S Global Notes will be deposited with a Common Depositary for Euroclear and Clearstream, Luxembourg, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of Definitive Registered Notes (as defined in "*Terms and Conditions of the Notes*").

Payments principal, interest or any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the register kept by the Registrar as the registered holder of the Registered Global Notes. None of the Issuer, BNP Paribas or its affiliates, the Trustee, the Dealer, the Guarantor (if applicable), or any Agent will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of Definitive Registered Notes will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Notes Condition 6 (*Payments*)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg.

Certification as to non-U.S. beneficial ownership

Whilst any Bearer Note is represented by a temporary global Note, any amounts payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made outside of the United States against presentation of the temporary global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person ("**Certification**"), as required by U.S. Treasury regulations, (i) has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Issuing and Paying Agent or, (ii) in the case of a temporary global Note held otherwise than on behalf of Euroclear and/or Clearstream, Luxembourg, from the holder thereof.

On and after the date (the "**Exchange Date**") which is 40 days after the temporary global Note is issued, interests in such temporary global Note will be exchangeable (free of charge) upon a request as described therein either for, as applicable, (i) interests in a permanent global Note or (ii) Definitive Bearer Notes of the same Series with, where applicable, Receipts, Coupons and Talons attached (as indicated in the applicable Final Terms and subject, in the case of Definitive Bearer Notes, to such notice period as is specified in the permanent global Note), in accordance with the terms of the temporary global Note against Certification as to beneficial ownership as described above and as required by U.S. Treasury regulations unless such Certification has already been given pursuant to the provisions set forth above; provided, however, that if the relevant global Note is issued in respect of a Series (and/or Tranche, as the case may be) of Bearer Notes described as Partly Paid Notes in the applicable Final Terms, such global Note may be exchanged for Definitive Bearer Notes and (if applicable) Coupons, Receipts and/or Talons as described above only if the final part payment on all such Partly Paid Notes then outstanding has been paid. Exchange of a temporary global Note for interests in a permanent global Note will only be made if Definitive Bearer Notes have not already been issued. If Definitive Bearer Notes have already been issued, the temporary global Note may only thereafter be exchanged for Definitive Bearer Notes pursuant to the terms thereof. The holder of a temporary global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due Certification, exchange of the temporary global Note for an interest in a permanent global Note or, in the case of Bearer Notes, for Definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a permanent global Note will be made through Euroclear and/or Clearstream, Luxembourg, as applicable, to or to the order of the holder thereof against presentation or surrender (as the case may be) of the permanent global Note without any requirement for Certification.

All payments, including in respect of interest and principal and whether at maturity or otherwise, will be payable only outside of the United States.

Subject to requirements existing at the time of issue, the following legend will appear on all temporary global Notes and permanent global Notes which have an original maturity of more than 365 days and on all receipts, interest coupons and talons relating to such Notes:

"Any United States person (as defined in the Internal Revenue Code of the United States) who holds this obligation will be subject to limitations under the United States income tax laws including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code".

Notes represented by temporary global Notes and permanent global Notes are expected to be issued in compliance with requirements then existing, which are generally expected to be identical to those contained in the TEFRA D Rules (as defined herein), with the intention that such Notes will constitute "foreign targeted obligations" and will thus be exempt from Section 4701 of the Code under the Hiring Incentives to Restore Employment Act of 2010 (the "**HIRE Act**"). Temporary global Notes and permanent global Notes issued after such date will include the legend described above, subject to requirements existing at the time of such issue.

Exchange upon the occurrence of an Exchange Event or otherwise

The applicable Final Terms with respect to any Notes issued in global form will specify whether the relevant permanent global Note or Registered Global Note (as applicable) will be exchangeable (free of charge), in whole but not in part, for Definitive Bearer Notes with, where applicable, Receipts, Coupons and Talons attached, or, as the case may be, Definitive Registered Notes, upon not less than 60 days' written notice to the Issuing and Paying Agent from or on behalf of, as the case may be, Euroclear and/or Clearstream, Luxembourg acting on the instructions of any holder of an interest in the permanent global Note or Registered Global Note, as described therein (unless otherwise specified in the applicable Final Terms) (a "**Holder Exchange Event**") or, in the case of a permanent global Note, if such Note is held otherwise than on behalf of Euroclear or Clearstream, Luxembourg, the bearer thereof, in the event of the occurrence of any of the circumstances described in (i), (ii), (iii) or (iv) below (each, an "**Exchange Event**") or by the Issuer in the event of the occurrence of the circumstances described in (iii) below: (i), if applicable, an Event of Default (as defined in Condition 11 of the "*Terms and Conditions of the Notes*") has occurred and is continuing; (ii) in the case of a permanent global Note or a Registered Global Note registered in the name of a common depositary for Euroclear and/or Clearstream, Luxembourg, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business or have in fact done so and no successor clearing system is available; (iii) on the occasion of the next payment in respect of any Bearer Notes, the Issuer would be required, as a result of any change in, or amendment to the laws of a relevant jurisdiction, to withhold or account for tax or would suffer tax in respect of its income so that it would be unable to make payment of the full amount due and such payment would not be required were the Notes in definitive form; provided, however, that if the relevant global Note is issued in respect of a Series (and/or Tranche, as the case may be) of Bearer Notes described as Partly Paid Notes in the applicable Final Terms, such global Note may be exchanged for definitive Notes and (if applicable) Coupons, Receipts and/or Talons as described above only if the final part payment on all such Partly Paid Notes then outstanding has been paid; or (iv) in the case of Registered Notes, the Issuer has or will become subject to adverse tax consequences which would not be suffered were such Registered Notes represented by a Registered Definitive Note. The Issuer will promptly give notice to Noteholders in accordance with Condition 18 (see "*Terms and Conditions of the Notes*") if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such global Note or Registered Global Note) may give notice to the Issuing and Paying Agent or, as the case may be, the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iv) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

In respect of any Series of Notes, the Holder Exchange Event shall not apply unless the applicable Final Terms provide that such Notes are issued and tradeable only in amounts equal to the minimum Denomination or integral multiples of the minimum denomination (or if more than one, the lowest Denomination).

Clearing Systems

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the relevant Dealer and the Issuing and Paying Agent.

APPLICABLE NOTE FINAL TERMS

Set out below is the form of Final Terms which, subject to amendment, will be completed for each Series (and/or Tranche, as the case may be) of Notes issued under the Programme.

Investors should have sufficient knowledge and experience of financial and business matters to evaluate the merits and risks of investing in a particular issue of Notes as well as access to, and knowledge of, appropriate analytical tools to assess such merits and risks in the context of their financial situation. Certain issues of Notes are not an appropriate investment for investors who are unsophisticated with respect to the applicable interest rate indices, currencies, other indices or formulae, or redemption or other rights or options. Investors should also have sufficient financial resources to bear the risks of an investment in Notes, which may include a total loss of their investments. For a more detailed description of the risks associated with any investment in the Notes, investors should read the section of the Base Prospectus headed "*Risk Factors*".

[Date]

SecurAsset S.A.

a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 2-8 avenue Charles de Gaulle, L-1653 Luxembourg, registered with the Luxembourg trade and companies register under number B 144385 subject to the Luxembourg act dated 22 March 2004 on securitisation, as amended (the "Securitisation Act 2004")

acting through its Compartment [●]

Issue of [Aggregate Nominal Amount of Series/Tranche] [Title of Notes] [Guaranteed by [BNPP/specify other] on the terms set out herein] under the €20,000,000,000 Secured Note, Warrant and Certificate Programme

PART A- CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth under the heading "*Terms and Conditions of the Notes*" in the Base Prospectus dated 29 June 2012 (the "**Base Prospectus**") [[which constitutes a base prospectus for the purposes of the Prospectus Directive and the Prospectus Act 2005]¹. This document constitutes the Final Terms of the Notes described herein [for the purposes of article 5.4 of the Prospectus Directive and article 8.4 of the Prospectus Act 2005]² and must be read in conjunction with the Base Prospectus and any Supplement(s) to such Base Prospectus published prior to the Issue Date (as defined below) (the "**Supplements**")³; provided, however, that to the extent any such Supplement (i) is published after the date of these Final Terms and (ii) provides for any change to the Conditions as set out under the heading "*Terms and Conditions of the Notes*" in the Base Prospectus, such change(s) shall have no effect with respect to the Conditions of the Notes to which these Final Terms relate. Full information on the Issuer [, the Guarantor (if applicable)] and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus and any Supplement(s). Prior to acquiring an interest in the Notes described herein, prospective investors should read and understand the information provided in the Base Prospectus and any Supplement(s). Copies of the Base Prospectus, any Supplement(s) and these Final Terms are available for inspection from the specified office of the Issuing and Paying Agent [and on the website of the Luxembourg Stock Exchange (www.bourse.lu)]⁴.

[The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Member State of the European

¹ Delete in the case of any issue of Private Placement Notes.

² Delete in the case of any issue of Private Placement Notes.

³ Where applicable, include the date of any Supplements which have been published prior to the date of the Final Terms.

⁴ Delete in the case of any issue of Private Placement Notes or amend as necessary in the case of any issue of Notes which is non-exempt and which will not be listed on the Luxembourg Stock Exchange.

Economic Area (the "**Relevant Member State**") in which the offer is being made) and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU⁵.

[The provisions of Annex 1 in the case of Index Linked Notes, Annex 2 in the case of Share Linked Notes, Annex 3 in the case of Debt Linked Notes, Annex 4 in the case of Commodity Linked Notes, Annex 5 in the case of Inflation Index Linked Notes, Annex 6 in the case of Currency Linked Notes, Annex 7 in the case of Fund Linked Notes, Annex 8 in the case of Market Access Notes, Annex 9 in the case of Credit Linked Notes and Annex 10 in the case of ETI Linked Notes apply to these Final Terms and these Final Terms shall be read together with the Terms and Conditions and such Annex(es). In the event of any inconsistency between the relevant Annex(es) and these Final Terms, these Final Terms shall prevail.]

By subscribing to, or otherwise acquiring, the Notes, a holder of Notes expressly acknowledges and agrees that:

- (a) the Issuer (i) is subject to the Securitisation Act 2004 and (ii) in connection with the Notes has created a specific Compartment, which Compartment shall be identified by the number ascribed to it below and is a Compartment within the meaning of the Securitisation Act 2004 to which all assets, rights, claims and agreements relating to the Notes will be allocated, subject as provided in these Final Terms;
- (b) the provisions with respect to the Order of Priority included in these Final Terms will apply;
- (c) [(without prejudice to the rights of holders of Guaranteed Notes under the Guarantee)] all payments to be made by the Issuer in respect of the Notes and the related Swap Agreement (if any) will be made only from and to the extent of the sums received or recovered from time to time by or on behalf of the Issuer or (following enforcement of security over the Compartment Assets) the Trustee in respect of the Charged Assets and, following a Note Acceleration in respect of the Note, the entitlement of the holder of the Note will be limited to such Noteholder's *pro rata* share of the proceeds of the relevant Charged Assets applied in accordance with the Order of Priority specified in the applicable Final Terms and not to the assets allocated to other compartments created by the Issuer or to any other assets of the Issuer and, in the case of Guaranteed Notes, (and, in addition in the case of Global Notes, sums obtained on behalf of Noteholders by the Trustee, making a claim under the Guarantee), subject to the terms set out in these Final Terms (if applicable) and the relevant provisions of the Guarantee and each holder further acknowledges and agrees that the Trustee is not obliged to take any action to enforce the obligations of the Issuer or the Guarantor (if applicable) unless directed to do so and indemnified and/or secured to its satisfaction against any liability it may incur;
- (d) once all moneys received by the Trustee in connection with the enforcement of the Compartment Security over the Charged Assets have been applied in accordance with the Order of Priority set out herein and in the Trust Deed, it is not entitled to take any further steps against the Issuer to recover any further sums due and the right to receive any such sum shall be extinguished;
- (e) it shall have no right to attach or otherwise seize the Charged Assets or any other assets of the Issuer, including, without limitation, any assets allocated to any other compartments of the Issuer; and
- (f) no holder of Notes shall be entitled to petition or take any other step for the liquidation, winding-up or the bankruptcy of the Issuer or any similar proceedings.

[Include whichever of the following apply or specify as "Not applicable". Note that the numbering should remain as set out below, even if "Not applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

⁵ Delete in the case of any issue of Private Placement Notes.

[When adding any other Final Terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a Supplement to the Base Prospectus under article 16 of the Prospectus Directive and article 13 of the Prospectus Act 2005.]

1. (i) Issuer: SecurAsset S.A., a regulated securitisation undertaking within the meaning of the Securitisation Act 2004
- (ii) Guarantor: [BNP Paribas/other (specify)/Not applicable]

(Note that prior to the issue of any Guaranteed Notes (other than unlisted Guaranteed Notes which are offered in such a manner such that a prospectus is not required in accordance with Article 3(2) of the Directive 2003/71/EC or where BNP Paribas is the Guarantor), a base prospectus supplement will be required to be approved in accordance with Article 16 of the Prospectus Directive giving information about the Guarantor)
2. (i) Series Number: [●]
- (ii) Tranche Number: [●]

(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)
3. Specified Currency: [●]
4. Aggregate Nominal Amount: [●]
 - (i) Series: [●]
 - (ii) Tranche: [●]
5. (i) [Issue Price of Tranche:] [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only if applicable)]
- (ii) [Net Proceeds:] [●] (Required only for listed issues)]
- (iii) Use of Proceeds of Series (other than as specified in the Base Prospectus): [Applicable/Not applicable]

[If there is a particular identified use of proceeds in addition to or other than that specified in the Base Prospectus under the 'Use of Proceeds' section, provide details]

6. (i)	Specified Denominations:	[•] [•]
		<i>(N.B. Following the entry into force of the 2010 PD Amending Directive on 31 December 2010, Notes issued after the implementation of the 2010 PD Amending Directive in a Member State must have a minimum denomination of €100,000 (or equivalent) in order to benefit from the wholesale exemption set out in Article 3.2(d) of the Prospectus Directive in that Member State.)</i> <i>(Note – where multiple denominations above [€50,000] or equivalent are being used the following sample wording should be followed:</i> <i>"[€50,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000]. No Notes in definitive form will be issued with a denomination above [€99,000].")⁶</i> <i>(Note – where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:</i> <i>"[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].")</i> <i>(N.B. If an issue of Notes is (i) NOT admitted to trading on a European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the €1,000 minimum denomination is not required.)</i> <i>(N.B. where Holder Exchange Event is applicable (see paragraph 51) global Notes are only exchangeable for Definitive Notes in an amount equal to the lowest Specified Denomination and no trading in smaller integral multiples is permitted.)</i>
(ii)	Calculation Amount (Applicable to Notes in definitive form):	(If only one Specified Denomination, insert the Specified Denomination.

⁶ Delete if notes being issued are in registered form.

If more than one denomination, insert the highest common factor.

N.B. There must be a common factor in the case of two or more Specified Denominations.)

7. (i) [Issue Date [and Interest [●]
Commencement Date]:]
- (ii) [Interest Commencement Date (if [●]
different from the Issue Date):]
8. Maturity Date: [Specify date] [or if that is not a Business Day the immediately succeeding/preceding Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day] [(the "**Scheduled Maturity Date**") [subject as provided in Credit Linked Condition [●] [./and] [Credit Linked Condition [●] [and] [Credit Linked Condition [●] (include for Credit Linked Notes)] [subject to adjustment such that the Maturity Date will always be 5 Business Days following the Final Calculation Date] (include for Fund Linked Notes.)]
9. Settlement Currency: The settlement currency in respect of the Notes is [specify].
10. Form of Notes: [Bearer/Registered]
11. Interest Basis: [[●] per cent. Fixed Rate][[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate][Zero Coupon][Dual Currency Interest][Index Linked Interest][Share Linked Interest][Commodity Linked Interest][Inflation Linked Interest][Currency Linked Interest][Fund Linked Interest][ETI Linked Interest][Other](further particulars specified below)
12. Redemption/Payment Basis: [Redemption at par][Index Linked Redemption][Share Linked Redemption][Commodity Linked Redemption][Inflation Linked Redemption][Currency Linked Redemption][Fund Linked Redemption][Credit Linked Redemption][ETI Linked Redemption][Hybrid Redemption][Partly Paid][Instalment] [other]

13. Change of Interest Basis or Redemption/Payment Basis: *[Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]*
14. Put/Call Options: *[Noteholder Put][Issuer Call][Swap Counterparty optional termination - Call option][(further particulars specified below)]*
15. Status of the Notes: *[•]*
16. Listing: *[None/See "Listing Application" on page [•] below]*
17. Method of distribution: Non-syndicated
18. Additional Disruption Events: *[As per the Conditions] / [specify]*
19. Optional Additional Disruption Events:
- (a) The following Optional Additional Disruption Events apply to the Notes:
- (Specify each of the following which applies. N.B. Optional Additional Disruption Events are applicable to certain Index Linked Notes, Share Linked Notes, Commodity Linked Notes and ETI Linked Notes. Careful consideration should be given to whether Optional Additional Disruption Events would apply for Debt Linked Notes, Currency Linked Notes and Fund Linked Notes and, if so, the relevant definitions will require amendment.)*
- [Increased Cost of Hedging]*
- [Increased Cost of Stock Borrow]*
- [Insolvency Filing]*
- (N.B. Only applicable in the case of Share Linked Notes)*
- [Cancellation Event]*
- (N.B. Only applicable in the case of Debt Linked Notes)*
- [Loss of Stock Borrow]*
- [[Stop-Loss Event]*

[Stop-Loss Event Percentage: [●]
per cent.]]

[Currency Event]

[Force Majeure Event]

[Jurisdiction Event]

[Failure to Deliver due to
Illiquidity]

*(N.B. Only applicable in the case
of Physical Delivery Notes.
Failure to Deliver due to
Illiquidity is applicable to certain
Share Linked Notes. Careful
consideration should be given to
whether Failure to Deliver due to
Illiquidity would apply to other
Physical Delivery Notes.)*

- (b) [The Maximum Stock Loan Rate
in respect of [specify in relation to
each relevant Share] is [●].

*(N.B. Only applicable if Loss of
Stock Borrow is applicable)]*

[The Initial Stock Loan rate in
respect of [specify in relation to
each relevant Share] is [●].

*(N.B. Only applicable if Increased
Cost of Stock Borrow is
applicable)]*

- (c) [The Trade Date is [●].]

- (d) Delayed Redemption on the
Occurrence of an Additional
Disruption Event and/or Optional
Additional Disruption Event:
[Applicable/Not applicable]

*[If applicable: Principal Protection
Termination Amount:
[Applicable/Not applicable]*

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

20. Fixed Rate Provisions:

[Applicable / Not applicable]

*(If not applicable, delete the remaining sub-
paragraphs of this paragraph)*

- (i) Fixed Rate[(s)] of Interest: [●] per cent. per annum [payable

		[annually/semi-annually/quarterly] in arrear]
(ii)	Interest Period End Date(s):	【●】 in each year
(iii)	Specified Period:	[Specify]
(iv)	Business Day Convention for Interest Period End Date(s):	[Following/Modified Following/Preceding/None]
(v)	Interest Payment Date(s):	【●】 in each year
(vi)	Business Day Convention for Interest Payment Date(s):	[Following/Modified Following/Preceding/None/Not applicable]
		<i>(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)</i>
(vii)	Fixed Coupon Amount(s):	【●】 per Calculation Amount
(viii)	Broken Amount(s):	[[●] per Calculation Amount, payable on the Interest Payment Date falling [in/or] 【●】. <i>Insert particulars of any Initial or Final Broken Amounts of interest which do not correspond with the Fixed Coupon Amount(s)</i>]
(ix)	Day Count Fraction:	[30/360/Actual/Actual (ICMA)] [specify other]
(x)	Determination Date(s):	【●】 in each year
		<i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon (NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))</i>
(xi)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[None/Give details]
21.	Floating Rate Provisions:	[Applicable / Not applicable]
		<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Interest Period(s):	【●】
(ii)	Interest Period End Date(s):	【●】
	Business Day Convention for Interest Period End Date(s):	[Following/Modified Following/Preceding/FRN/None]
(iii)	Specified Period:	[Specify]
(iv)	Interest Payment Date(s):	【●】

	Business Day Convention for Interest Payment Date(s):	[Following/Modified Following/Preceding/FRN/None/Not applicable] <i>(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)</i>
(v)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination/AFB Determination/specify other]
(vi)	Party responsible for calculating the Rate of Interest and Interest Amount:	[●] [Calculation Agent]
(vii)	Screen Rate Determination:	
	– Reference Rate:	[●] <i>(Either LIBOR, EURIBOR or other, although additional information is required if other)</i>
	– Interest Determination Date(s):	[●] <i>(Second London business day prior to the start of each Interest Period if LIBOR and second TARGET2 day prior to the start of each Interest Period if EURIBOR)</i>
	– Specified Time:	[●] <i>(which will be 11:00 am, London time, in the case of LIBOR, or 11:00 am, Brussels time, in the case of EURIBOR)</i>
	– Relevant Screen Page:	[●] <i>(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)</i>
(viii)	ISDA Determination:	
	– Floating Rate Option:	[●]
	– Designated Maturity:	[●]
	– Reset Date:	[●]
(ix)	Margin(s):	[+/-][●] per cent. per annum
(x)	Minimum Interest Rate:	[Applicable / Not applicable] [●]per cent. per annum

(xi)	Maximum Interest Rate:	[Applicable / Not applicable] [●] per cent. per annum
(xii)	Day Count Fraction	[30/360/Actual/Actual (ICMA)] [specify other]
(xiii)	Fall back provisions, day count fraction, Reference Banks, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[Condition [●] (AFB Determination) applies/specify other]
(xiv)	Rate Multiplier	[Applicable / Not applicable]
	– Rate Multiplier:	[●] <i>[Please specify the Rate Multiplier by which the Interest Rate shall be multiplied, subject to the Minimum Interest Rate and Maximum Interest Rate if those terms are specified as being applicable at (ix) and (x) respectively above.]</i>
	– Interest Period(s):	[Specify Interest Period(s) in respect of which the Rate Multiplier is applicable]
22. Zero Coupon Provisions:		[Applicable / Not applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Accrual Yield:	[●] per cent. per annum
(ii)	Reference Price:	[●]
(iii)	Any other formula/basis of determining Amortised Face Amount payable:	[●] <i>(Consider applicable Day Count Fraction if euro denominated)</i>
23. Dual Currency Interest Provisions:		[Applicable / Not applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Exchange rate/method of calculating exchange rate:	[give details]
(ii)	Calculation Agent, if any, responsible for calculating the interest payable:	[Issuing and Paying Agent]/[Dealer]/[Other] [Address]
(iii)	Provisions applicable where calculation by reference to exchange rate impossible or impracticable:	[●]
(iv)	Person at whose option Specified Currency(ies) is/are payable:	[●]

24. Index Linked Interest Provisions:	[Applicable / Not applicable]
	<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) [Custom] Index/[Custom] Indices:	[●] [Composite / non Composite] [Bloomberg Code: [●]/[specify other]]
(ii) Index Currency:	[Specify / Not applicable]
(iii) [Custom] Index Sponsor(s):	[●]
(iv) Custom Index:	[Applicable / Not applicable]
(v) Screen Page:	[Specify]
(vi) Formula:	[Specify]
(vii) Settlement Price:	The Settlement Price will be calculated [insert calculation method]
(viii) Disrupted Day:	If an Interest Valuation Date, Observation Date or Averaging Date is a Disrupted Day, the Settlement Price will be calculated [insert calculation method]
(ix) Calculation Agent responsible for calculating the interest due:	[●]
(x) Provisions for determining coupon where calculation by reference to Formula is impossible or impracticable:	[●]
(xi) Interest Period(s):	[●]
(xii) Interest Period End Date(s):	[●]
Business Day Convention for Interest Period End Date(s)	[Following/Modified Following/Preceding/FRN/None]
(xiii) Interest Payment Date(s):	[●]
Business Day Convention for Interest Payment Date(s):	[Following/Modified Following/Preceding/FRN/None/Not applicable]
	<i>(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)</i>

(xiv)	Day Count Fraction:	[●]
(xv)	Averaging:	Averaging [applies/does not apply] to the Notes. [The Averaging Dates are [●].] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement]⁷ / [Condition 8(B) of the Index Linked Conditions]⁸ will apply.] [Modified Postponement] <i>(only applicable if Modified Postponement is applicable as an Averaging election).</i>
(xvi)	Strike Date:	[●]
(xvii)	Strike Price:	[The Strike Price will be calculated as per the Conditions]/[insert calculation method] <i>(N.B. Strike Price is only applicable in the case of a Custom Index)</i>
(xviii)	Interest Valuation Date(s):	[Specify]
(xix)	Observation Date(s):	[[●]/Not applicable] [In the event that an Observation Date is a Disrupted Day/[Omission/Postponement/Modified Postponement]⁹ / [Condition 8(B) of the Index Linked Conditions]¹⁰ will apply.]
(xx)	Observation Period:	[Specify/Not applicable]
(xxi)	Exchange Business Day:	[(All Indices Basis)/(Per Index Basis)/(Single Index Basis)] / [Not applicable]
(xxii)	Scheduled Trading Day:	[(All Indices Basis)/(Per Index Basis)/(Single Index Basis)] / [Not applicable] <i>(must match election made for Exchange Business Day)</i>
(xxiii)	Custom Index Business Day:	[(All Custom Indices Basis)/(Per Custom Index Basis)/(Single Custom Index Basis)] / [Not applicable]
(xxiv)	Scheduled Custom Index Business Day:	[(All Custom Indices Basis)/(Per Custom Index Basis)/(Single Custom Index Basis)] / [Not applicable]

⁷ Delete if Custom Index is Applicable

⁸ Delete if Custom Index is Not applicable

⁹ Delete if Custom Index is Applicable

¹⁰ Delete if Custom Index is Not applicable

		<i>(must match election made for Custom Index Business Day)</i>
(xxv)	Exchange(s):	The relevant Exchange[s] [is/are] [●] / [Not applicable]
(xxvi)	Related Exchange:	[Specify/[All Exchanges]/[Not applicable]]
(xxvii)	Weighting:	[Not applicable/The weighting to be applied to each item comprising the Basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment [in accordance with the Index Linked Conditions]/[specify other].
		<i>(N.B. Only applicable in relation to Cash Settled Notes relating to a Basket)</i>
(xxviii)	Valuation Time:	[As per the Conditions/Scheduled Closing Time/Any time [on the Valuation Date/during the Observation Period.] [[●], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.]
		<i>(N.B. if no time is specified, the Valuation Time will be [the Scheduled Closing Time]¹¹/[as per the Conditions]¹²)</i>
(xxix)	[Custom] Index Correction Period:	[As per Conditions/specify]
(xxx)	Market Disruption:	[Specified Maximum Days of Disruption will be equal to [●]/[eight]] / [Not applicable]:
		(if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)
		<i>(N.B. Not applicable in the case of Custom Indices)</i>
(xxxi)	Custom Index Disruption Event:	[Specified Maximum Days of Disruption will be equal to [●]/[twenty]] / [Not applicable]:
		(if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to twenty)
		<i>(N.B. Only applicable in the case of Custom Indices)</i>
(xxxii)	Delayed Redemption on Occurrence of [Custom] Index Adjustment Event:	[Applicable with a rate of [●] per cent. per annum/Not applicable]

¹¹ Where Custom Index is Not applicable

¹² Where Custom Index is Applicable

25. Share Linked Interest Provisions		[Applicable/Not applicable]
		<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Share(s):	[●]
(ii)	Relative Performance Basket:	[●] / [Applicable / Not applicable]
(iii)	GDR/ADR:	[Applicable / Not applicable]
		<i>(Where GDR/ADR is specified as Applicable, Share Linked Conditions 8 - 12 shall apply to the Notes and the modifications set out in Share Linked Condition 9 shall apply to these Final Terms mutatis mutandis)</i>
(iv)	ISIN of Share(s):	[Specify]
(v)	Screen Page/Exchange Code:	[Specify]
(vi)	Formula:	[●] <i>[N.B If Formula includes an initial closing price use term "Initial Price" for relevant definition]</i>
(vii)	Settlement Price:	The Settlement Price will be calculated <i>[insert Calculation Method]</i> /[As set out in the Conditions]
		[Exchange Rate: []]
(viii)	[Disrupted] Day:	If an Interest Valuation Date, Observation Date or Averaging Date is a Disrupted Day, the Settlement Price will be calculated <i>[insert calculation method]</i>
(ix)	Calculation Agent responsible for calculating the interest due:	[●]
(x)	Provisions for determining coupon where calculation by reference to Formula is impossible or impracticable:	[●]
(xi)	Interest Period(s):	[●]
(xii)	Interest Period End Date(s):	[●]
	Business Day Convention for Interest Period End Date(s):	[Following/Modified Following/Preceding/FRN/None]
(xiii)	Interest Payment Date(s):	[●]
	Business Day Convention for Interest Payment Date(s):	[Following/Modified Following/Preceding/FRN/None/Not applicable]

(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)

(xiv)	Day Count Fraction:	[●]
(xv)	Averaging:	Averaging [applies/does not apply] to the Notes. [The Averaging Dates are [●].] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.] [Modified Postponement] <i>(only applicable if Modified Postponement is applicable as an Averaging election).</i>
(xvi)	Strike Date:	[●]
(xvii)	Strike Price:	[●] /[As per Conditions]
(xviii)	Interest Valuation Date(s):	[Specify]
(xix)	Observation Date(s):	[The Observation Date(s) is/are [●]/Not applicable].] [In the event that an Observation Date is a Disrupted Day/ [Omission/Postponement/Modified Postponement] will apply.]
(xx)	Observation Period:	[Specify/Not applicable]
(xxi)	Exchange Business Day:	[(All Shares Basis)/(Per Share Basis)(Single Share Basis)]
(xxii)	Scheduled Trading Day:	[(All Shares Basis)/(Per Share Basis)(Single Share Basis)] <i>(must match election made for Exchange Business Day)</i>
(xxiii)	Exchange(s):	The relevant Exchange[s] [is/are] [●] .
(xxiv)	Related Exchange(s):	[Specify/All Exchanges]
(xxv)	Weighting:	[Not applicable/The weighting to be applied to each item comprising the basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in the case of Share Linked Notes]/[specify other]. <i>(N.B. Only</i>

applicable in relation to Cash Settled Notes relating to a basket)]

(xxvi)	Valuation Time:	[Scheduled Closing Time/Any time [on the Valuation Date/during the Observation Period.] [The Valuation Time is [●], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.] (N.B. if no time is specified, the Valuation Time will be the Scheduled Closing Time).
(xxvii)	Share Correction Period:	[As per Conditions/Specify]
(xxviii)	Market Disruption:	Specified Maximum Days of Disruption will be equal to [●]/[eight]: (if no Specific Maximum Days of Disruption is stated, Specified Maximum Days of Disruption will be equal to eight)
(xxix)	Tender Offer:	[Applicable/Not applicable]
(xxx)	Listing Change:	[Applicable/Not applicable]
(xxxi)	Listing Suspension:	[Applicable/Not applicable]
(xxxii)	Illiquidity:	[Applicable/Not applicable]
(xxxiii)	Delayed Redemption on Occurrence of Extraordinary Event:	[Applicable with a rate of [●] per cent. per annum/Not applicable]
26. Commodity Linked Interest Provisions:		[Applicable/Not applicable] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Commodity/Commodities/Commodity Index/Commodity Indices:	[●] [The Sponsor[s] of the Commodity Index/Indices] [is/are [●]]
(ii)	Interest Pricing Date(s):	[●]
(iii)	Initial Interest Pricing Date:	[●]
(iv)	Final Interest Pricing Date:	[●]
(v)	Formula:	[●]
(vi)	Delivery Date:	[●] / [Not applicable]
(vii)	Specified Price:	[specify]
(viii)	Calculation Agent responsible for calculating the interest due:	[●]
(ix)	Provisions for determining coupon	[●]

where calculation by reference to Formula is impossible or impracticable:

(x)	Interest Period(s):	[●]
(xi)	Interest Period End Date(s):	[●]
	Business Day Convention for Interest Period End Date(s):	[Following/Modified Following/Preceding/FRN/None]
(xii)	Interest Payment Date(s):	[●]
	Business Day Convention for Interest Payment Date(s):	[Following/Modified Following/Preceding/FRN/None/Not applicable]
	<i>(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)</i>	
(xiii)	Interest Valuation Time:	[●]
(xiv)	Day Count Fraction:	[●]
(xv)	Commodity Reference Price:	[●]
(xvi)	Nearby Month:	[●] / [Not applicable]
(xvii)	Exchange(s):	The relevant Exchange[s] [is/are] [●] / [Not applicable].
(xviii)	Specified Maximum Days of Disruption:	[●]/[two] <i>(if no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to two) (applicable only to Price Source Disruption, Trading Disruption or Index Component Disruption Event)</i>
(xix)	Disruption Fallback(s):	[As per Commodity Linked Condition 7]/[Not applicable]
(xx)	Delayed Redemption on Occurrence of Market Disruption Event:	[Applicable with a rate of [●] per cent. per annum/Not applicable]
(xxi)	Weighting:	[The weighting to be applied to each item comprising the Commodity Basket is [●]
27. Inflation Linked Interest Provisions: [Applicable / Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i)	Index/Index Sponsor:	[●] [Composite/non Composite]
(ii)	Screen Page/Exchange Code:	[●]
(iii)	Formula:	[●]
(iv)	Calculation Agent responsible for calculating the interest due:	[●]
(v)	Provisions for determining coupon where calculation by reference to Formula is impossible or impracticable:	[●]
(vi)	Interest Period(s):	[●]
(vii)	Interest Period End Date(s): Business Day Convention for Interest Period End Date(s):	[●] [Following/Modified Following/Preceding/FRN/None]
(viii)	Interest Payment Date(s): Business Day Convention for Interest Payment Date(s):	[●] [Following/Modified Following/Preceding/FRN/None/Not applicable]
<i>(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)</i>		
(ix)	Day Count Fraction:	[●]
(x)	Cut-Off Date:	[●]/[Not applicable]
(xi)	Related Bond:	[●]/Fallback Bond
(xii)	Issuer of Related Bond:	[●]/[Not applicable]
(xiii)	Fallback Bond:	[Applicable / Not applicable]
(xv)	Related Bond Redemption Event:	[Applicable / Not applicable]
(xvi)	Interest Valuation Date:	[●]
(xvii)	Substitute Index Level:	[As determined in accordance with the Conditions] / [specify]
(xviii)	Other Provisions:	[●]
28.	Currency Linked Interest Provisions:	[Applicable / Not applicable] <i>(if not applicable, delete the remaining sub-</i>

paragraphs of this paragraph)

- (i) The relevant base currency (the "**Base Currency**") is: **[●]**
 - (ii) The relevant subject **[●]**
[currency/currencies] [each a]/[the]
"**Subject Currency**") [is/are]:
 - (iii) Weighting: **[●]**
 - (iv) Formula/Exchange rates: **[●]**
 - (v) Price Source: **[●]**
 - (vi) Specified Maximum Days of Disruption: *(If no specified Maximum Days of Disruption are stated, specified Maximum Days of Disruption will be equal to five)*
 - (vii) Calculation Agent responsible for calculating the interest due: **[●]**
 - (viii) Provisions for determining coupon where calculation by reference to Formula is impossible or impracticable: **[●]**
 - (ix) Interest Period(s): **[●]**
 - (x) Interest Period End Date(s): **[●]**
Business Day Convention for Interest Period End Date(s): **[Following/Modified Following/Preceding/FRN/None]**
 - (xi) Interest Payment Date(s): **[●]**
Business Day Convention for Interest Payment Date(s): **[Following/Modified Following/Preceding/FRN/None/Not applicable]**
(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)
 - (xii) Day Count Fraction: **[●]**
 - (xiii) Interest Valuation Date: **[●]**
 - (xiv) Other Provisions: **[●]**
29. Fund Linked Interest Provisions: **[Applicable / Non applicable]**
(if not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Fund/Fund Basket: *[Specify]*
 [The ☐ Fund is a Mutual Fund]
 [The ☐ Fund is a Hedge Fund]
 [The ☐ Fund is a Private Equity Fund]
- (ii) Fund Shares: ☐
- (iii) Fund Documents: ☐
- (iv) Fund Business Day: ☐
- (v) Fund Service Provider: ☐
- (vi) Calculation Date(s): ☐
- (vii) Initial Calculation Date: ☐
- (viii) Final Calculation Date: ☐
- (ix) Hedging Date: ☐
- (x) AUM Level: ☐
- (xi) NAV Trigger Percentage: ☐
- (xii) NAV Trigger Period: ☐
- (xiii) Number of NAV Publication Days: ☐
- (xiv) Basket Trigger Level: ☐
- (xv) Additional Extraordinary Fund Event(s): *(Specify)*
- (xvi) Consequences of an Extraordinary Fund Event: ☐
- (xvii) Termination Amount: ☐ [Principal Protected Termination Amount]/☐ [Non-Principal Protected Termination Amount] *[Specify]*/☐ [Not Applicable]
- (xviii) Simple Interest Spread: ☐ [+• / - • bps]
- (xix) Formula for calculation of Fund Linked Interest: ☐
- (xx) Calculation Agent responsible for calculating the interest due: ☐
- (xxi) Provisions for determining coupon where calculation by reference to Formula is impossible or impracticable: ☐
- (xxii) Interest Valuation Date: ☐
- (xxiii) Interest Period(s): ☐

(xxiv)	Interest Period End Date(s):	[●]
(xxv)	Business Day Convention for Interest Period End Date(s):	[Following/Modified Following/Preceding/FRN/None]
(xxvi)	Interest Payment Date(s):	[●]
(xxvii)	Business Day Convention for Interest Payment Date(s):	[Following/Modified Following/Preceding/FRN/None/Not applicable]
	<i>(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)</i>	
(xxviii)	Day Count Fraction:	[●]
(xxix)	Delayed Redemption on the Occurrence of an Extraordinary Fund Event:	[Applicable/Not applicable]
(xxx)	Other Provisions:	[●]
30.	ETI Linked Interest Provisions	[Applicable / Not applicable]
	<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
(i)	ETI/ETI Basket:	[specify]
(ii)	ETI Interest(s):	[insert type of ETI Interest(s)]
(iii)	Exchanges(s):	[specify]/[Not applicable]
(iv)	Related Exchange(s):	[specify]/[All Exchanges]/[Not applicable]
(v)	ETI Documents:	[As per Conditions]/[specify]
(vi)	Exchange Business Day:	[(Single ETI Interest Basis)/(All ETI Interests Basis)/(Per ETI Interest Basis)]
(vii)	Scheduled Trading Day:	[(Single ETI Interest Basis)/(All ETI Interests Basis)/(Per ETI Interest Basis)]
(viii)	ETI Related Party(ies):	[As per the Conditions / [specify]]
(ix)	Trade Date:	[●]
(x)	Calculation Date(s):	[●]
(xi)	Initial Calculation Date:	[●]
(xii)	Final Calculation Date:	[●]
(xiii)	Hedging Date:	[●]

(xiv)	Averaging:	Averaging [applies] / [does not apply] to the Notes. [The Averaging Dates are: [●]] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
(xv)	Protected Amount:	[specify]
(xvi)	ETI Interest Correction Period:	[specify]/[As per the Conditions]
(xvii)	Value Trigger Percentage	[●]
(xviii)	Value Trigger Period:	[●]
(xix)	Value per ETI Interest Trading Price Barrier:	[●]
(xx)	Number of Value Publication Days:	[●]
(xxi)	Basket Trigger Level:	[●]
(xxii)	Investment/AUM Level:	[specify]/[As per the Conditions]
(xxiii)	Maximum Stock Loan Rate:	[●]
(xxiv)	Additional Extraordinary ETI Event(s):	[●] (Specify)
(xxv)	Termination Amount:	[Specify]/[Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount] [Not applicable]
(xxvi)	Simple Interest Spread:	[+● / - ● bps]
(xxvii)	Weighting:	[The Weighting to be applied to each ETI Interest in the ETI Basket is [specify]] [not applicable]
(xxviii)	Formula for calculation of ETI Linked Interest:	[●]
(xxix)	Calculation Agent responsible for calculating the interest due:	[●]
(xxx)	Provisions for determining coupon where calculation by reference to Formula is impossible or impracticable:	[●]
(xxxi)	Interest Valuation Date:	[●]
(xxxii)	Interest Valuation Time:	[●]
(xxxiii)	Interest Period(s):	[●]

- (xxxiv) Interest Period End Date(s): **[●]**
- (xxxv) Business Day Convention for Interest Period End Date(s): **[Following/Modified Following/Preceding/FRN/None]**
- (xxxvi) Interest Payment Date(s): **[●]**
- (xxxvii) Business Day Convention for Interest Payment Date(s): **[Following/Modified Following/Preceding/FRN/None/Not applicable]**

(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)

- (xxxviii) Day Count Fraction: **[●]**
- (xxxix) Specified Maximum Days of Disruption: **[●]/[eight]**

(N.B. Unless specified otherwise in these Final Terms, the Specified Maximum Days of Disruption shall be equal to eight Scheduled Trading Days)

- (xl) Delayed Redemption on the Occurrence of an Extraordinary ETI Event: **[Applicable/Not applicable]**
- (xli) Delayed Payment Cut-Off Date: **[Specify]**
- (xlii) Other Provisions: **[●]**

31. Additional Business Centre(s) (Condition 5(b)) **[●]**

PROVISIONS RELATING TO REDEMPTION

32. Issuer Call Option: **[Applicable / Not applicable]**

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Optional Redemption Valuation Date(s): **[●]**
- (ii) Optional Redemption Date(s): **[●]**
- (iii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): **[●]** per Calculation Amount
- (iv) If redeemable in part:
- (a) Minimum Redemption Amount: **[●]**
- (b) Maximum Redemption Amount: **[●]**

- (v) Notice period (if other than as set out in the Conditions): **[●]**
33. Noteholder Put Option: [Applicable / Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Valuation Date: **[●]**
- (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): **[●]** per Calculation Amount
- (iii) Notice period (if other than as set out in the Conditions): **[●]**
34. Final Redemption Amount: **[●]** per Calculation Amount/*see below*] The [Index/Share/Commodity/Inflation/Currency/Fund/Credit/ETI] Linked Redemption Amount specified below] [Physical Settlement: [Applicable/Not applicable]]
35. Index Linked Redemption Amount: [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (i) [Custom] Index/[Custom] Indices/Basket of [Custom] Indices: **[●]**
- [Composite/non Composite]
- [Bloomberg Code: **[●]**/*specify other*]]
- (ii) [Custom] Index Sponsor(s): **[Specify]**
- (iii) Custom Index: [Applicable / Not applicable]
- (iv) Index Currency: **[Specify / Not applicable]**
- (v) Screen Page: **[Specify]**
- (vi) Formula: **[●]**
- (vii) Settlement Price: The Settlement Price will be calculated [*insert calculation method*] / [As set out in the Conditions]
- (viii) Disrupted Day: If the Redemption Valuation Date or Observation Date or an Averaging Date is a Disrupted Day, the Settlement Price will be calculated [*insert calculation method*] / [in accordance with Index Linked Condition 8(B)]¹³.

¹³ In the case of Custom Indices only

- (ix) Calculation Agent responsible for [●]
calculating the redemption amount due:
- (x) Provisions for determining redemption [●]
amount where calculation by reference to
Formula is impossible or impracticable:
- (xi) Strike Date: [●]
- (xii) Strike Price: [As per Conditions] / [(insert calculation
method)]

*(N.B. Strike Price is only applicable in the case
of Custom Indices)*
- (xiii) Averaging: Averaging [applies/does not apply] to the Notes.
[The Averaging Dates are [●].]

[In the event that an Averaging Date is a
Disrupted
Day [Omission/Postponement/Modified
Postponement]¹⁴ / [Index Linked Condition
8(B)]¹⁵ will apply.]

*(Modified Postponement is only applicable if
Modified Postponement is applicable as an
Averaging election and in any event where
Custom Index is Not applicable).*
- (xiv) Redemption Valuation Date: [Specify]
- (xv) Observation Date(s): [The Observation Date(s) is/are [●]/Not
applicable].]

[In the event that an Observation Date is a
Disrupted
Date/[Omission/Postponement/Modified
Postponement]¹⁶ / [Index Linked Condition
8(B)]¹⁷ will apply.]
- (xvi) Observation Period: [Specify/Not applicable]]
- (xvii) Exchange Business Day: [(All Indices Basis)/(Per Index Basis)/(Single
Index Basis)] / [Not applicable]
- (xviii) Scheduled Trading Day: [(All Indices Basis)/(Per Index Basis)/(Single
Index Basis)] / [Not applicable]

*(must match election made for Exchange
Business Day)*
- (xix) Custom Index Business Day: [(All Custom Indices Basis)/(Per Custom Index

¹⁴ Where Custom Index is Not applicable

¹⁵ Where Custom Index is Applicable

¹⁶ Where Custom Index is Not applicable

¹⁷ Where Custom Index is Applicable

- Basis)/(Single Custom Index Basis)] / [Not applicable]
- (xx) Scheduled Custom Index Business Day: [(All Custom Indices Basis)/(Per Custom Index Basis)/(Single Custom Index Basis)] / [Not applicable]
- (must match election made for Custom Index Business Day)*
- (xxi) Exchange(s): The relevant Exchange[s] [is/are] [●] / [Not applicable]
- (xxii) Related Exchange: [Specify/All Exchanges/Not applicable]
- (xxiii) Weighting: [Not applicable/The Weighting to be applied to each item comprising the basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment [in accordance with the Index Linked Conditions]/[specify other].
- (N.B. Only applicable in relation to Cash Settled Notes relating to a basket)*
- (xxiv) Valuation Time: [Scheduled Closing Time]/[As per the Conditions]/[Any time [on the Valuation Date /during the Observation Period.] [[●], being the time specified on the Valuation Date or an Averaging Date or Observation Date, as the case may be, for the calculation of the Settlement Price.]
- (N.B. if no time specified, the Valuation Time will be the Scheduled Closing Time).*
- (xxv) [Custom] Index Correction Period: [As per Conditions/[specify]]
- (xxvi) Market Disruption: [Specified Maximum Days of Disruption will be equal to [●]/[eight]] / [Not applicable]
- (if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)*
- (N.B. Not applicable in the case of Custom Indices)*
- (xxvii) Custom Index Disruption Event: [Specified Maximum Days of Disruption will be equal to [●]/[twenty]] / [Not applicable]:
- (if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to twenty)*
- (N.B. Only applicable in the case of Custom Indices)*

- (xxviii) Knock-in Event: [Not applicable / specify ["greater than"/"greater than or equal to"/"less than"/"less than or equal to"/"within" Knock-in Level]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Knock-in Level/Knock-in Range Level: [specify]
 - (b) Knock-in Determination Day(s): [specify / Each [Scheduled Trading Day/Scheduled Custom Index Business Day] in the Knock-in Determination Period]
 - (c) Knock-in Period Beginning Date: [Not applicable / specify]
 - (d) Knock-in Period Beginning Date Scheduled Trading Day Convention (not applicable in the case of Custom Indices): [Applicable / Not applicable]
 - (e) Knock-in Period Beginning Date Scheduled Custom Index Business Day Convention (in the case of Custom Indices only): [Applicable / Not applicable]
 - (f) Knock-in Period Ending Date: [Not applicable / specify]
 - (g) Knock-in Period Ending Date Scheduled Trading Day Convention (not applicable in the case of Custom Indices): [Applicable / Not applicable]
 - (h) Knock-in Period Ending Date Scheduled Custom Index Business Day Convention (in the case of Custom Indices only): [Applicable / Not applicable]
 - (i) Knock-in Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-in Determination Day.]
- (xxix) Knock-out Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Level]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (a) Knock-out Level: [specify]
 - (b) Knock-out Determination Day(s): [specify / Each [Scheduled Trading Day/ Scheduled Custom Index Business Day] in the Knock-out Determination Period]
 - (c) Knock-out Period Beginning Date: [Not applicable / specify]
 - (d) Knock-out Period Beginning Date Scheduled Trading Day Convention (*not applicable in the case of Custom Indices*): [Applicable / Not applicable]
 - (e) Knock-out Period Beginning Date Scheduled Custom Index Business Day Convention (*in the case of Custom Indices only*): [Applicable / Not applicable]
 - (f) Knock-out Period Ending Date: [Not applicable / specify]
 - (g) Knock-out Period Ending Date Scheduled Trading Day Convention (*not applicable in the case of Custom Indices*): [Applicable / Not applicable]
 - (h) Knock-out Period Ending Date Scheduled Custom Index Business Day Convention (*in the case of Custom Indices only*): [Applicable / Not applicable]
 - (i) Knock-out Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-out Determination Day.]
- (xxx) Automatic Early Redemption Event: [specify / See definition in Index Linked Condition 5 or, in the case of Custom Indices, Index Linked Condition 11.]
- (a) Automatic Early Redemption Amount: [specify]
 - (b) Automatic Early Redemption Date(s): [specify] [or if that is not a Business Day the immediately [succeeding/preceding] Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day.]
 - (c) Automatic Early [specify]

Redemption Level:

(d) Automatic Early [specify]
Redemption Rate:

(e) Automatic Early [specify]
Redemption Valuation
Date(s):

(xxxi) Delayed Redemption on Occurrence of [Applicable with a rate of [●] per cent. per
Index Adjustment Event: annum/Not applicable]

36. Share Linked Redemption Amount: [Applicable/Not applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Share(s)/Share Company/Basket [Insert type of Share(s) and Share
Company: Company/Basket Companies]

(ii) GDR/ADR: [Applicable / Not applicable]

(Where GDR/ADR is specified as Applicable, Share Linked Conditions 8 - 12 shall apply to the Notes and the modifications set out in Share Linked Condition 9 shall apply to these Final Terms mutatis mutandis)

(iii) Relative Performance Basket: [Not applicable/Specify]

(iv) ISIN of Share(s): [Specify]

(v) Screen Page/Exchange Code: [Specify]

(vi) Share Currency/Currencies: [Specify]

(vii) Formula: [●][N.B If Formula includes initial closing price use term "Initial Price" for relevant definition]

(viii) Settlement Price: The Settlement Price will be calculated [insert calculation method] / [As set out in the Conditions]

[Exchange Rate: []]

(ix) Disrupted Day: If the Redemption Valuation Date, an Observation Date or an Averaging Date, as the case may be, is a Disrupted Day, the Settlement Price will be calculated [insert calculation method].

(x) Calculation Agent responsible for [●]
calculating the redemption amount due:

(xi) Provisions for determining redemption [●]
amount where calculation by reference to
Formula is impossible or impracticable:

- (xii) Strike Date: [●]
- (xiii) Strike Price: [●]/[As per Conditions]
- (xiv) Averaging: Averaging [applies/does not apply] to the Notes.
[The Averaging Dates are [●].]

[In the event that an Averaging Date is a Disrupted Day
[Omission/Postponement/Modified Postponement] will apply.]

[Modified Postponement]

(only applicable if Modified Postponement is applicable as an Averaging election).
- (xv) Redemption Valuation Date: [Specify]
- (xvi) Observation Date(s): [The Observation Date(s) is/are [●]/Not applicable].

[In the event that an Observation Date is a Disrupted Date/[Omission/Postponement/Modified Postponement] will apply.]
- (xvii) Observation Period: [Specify] [Not applicable]
- (xviii) Exchange Business Day: [(All Shares Basis)/(Per Share Basis)(Single Share Basis)]
- (xix) Scheduled Trading Day: [(All Shares Basis)/(Per Share Basis)(Single Share Basis)]

(must match election made for Exchange Business Day)
- (xx) Exchange(s): The relevant Exchange[s] [is/are] [●].
- (xxi) Related Exchange(s): [Specify/All Exchanges]
- (xxii) Weighting: [Not applicable/The Weighting to be applied to each item comprising the basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in the case of Share Linked Notes]/[specify other]. *(N.B. Only applicable in relation to Cash Settled Notes relating to a basket)*
- (xxiii) Valuation Time: [Scheduled Closing Time/Any time [on the Valuation Date /during the Observation Period.]
[The Valuation Time is [●], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.] *(N.B. if no time specified, the Valuation Time will be the Scheduled*

Closing Time).

- (xxiv) Share Correction Period: [As per Conditions/*Specify*]
- (xxv) Market Disruption: Specified Maximum Days of Disruption will be equal to [●]/[eight]:

(if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)
- (xxvi) Tender Offer: [Applicable/Not applicable]
- (xxvii) Listing Change: [Applicable/Not applicable]
- (xxviii) Listing Suspension: [Applicable/Not applicable]
- (xxix) Illiquidity: [Applicable/Not applicable]
- (xxx) Delayed Redemption on Occurrence of Extraordinary Event: [Applicable with a rate of [●] per cent. per annum/Not applicable]
- (xxxi) Knock-in Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Price]]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Knock-in Price: [specify]
- (b) Knock-in Range Price: [specify]
- (c) Knock-in Determination Day(s): [specify / Each Scheduled Trading Day in the Knock-in Determination Period]
- (d) Knock-in Period Beginning Date: [Not applicable / specify]
- (e) Knock-in Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (f) Knock-in Period Ending Date: [Not applicable / specify]
- (g) Knock-in Period Ending Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (h) Knock-in Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-in Determination Day.]
- (xxxii) Knock-out Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Price]]

(If not applicable, delete the remaining sub-

paragraphs of this paragraph)

- (a) Knock-out Price: [specify]
- (b) Knock-out Determination Day(s): [specify / Each Scheduled Trading Day in the Knock-out Determination Period]
- (c) Knock-out Period Beginning Date: [Not applicable / specify]
- (d) Knock-out Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (e) Knock-out Period Ending Date: [Not applicable / specify]
- (f) Knock-out Period Ending Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (g) Knock-out Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-out Determination Day.]

(xxxiii) Automatic Early Redemption Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to"] Automatic Early Redemption Price]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (a) Automatic Early Redemption Amount: [specify / See definition in Condition 5 of the Share Linked Conditions]
- (b) Automatic Early Redemption Date(s): [specify] [or if that is not a Business Day the immediately [succeeding/preceding] Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day.]
- (c) Automatic Early Redemption Price: [specify]
- (d) Automatic Early Redemption Rate: [specify]
- (e) Automatic Early Redemption Valuation Date(s): [specify]

37. Commodity Linked Redemption Amount: [Applicable/Not applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Formula: [●]

- (ii) Commodity/Commodities /Commodity Index/Commodity Indices: [●]
[The Sponsor(s) of the Commodity Index/Indices is/are [●]]
- (iii) Pricing Date(s): [●]
- (iv) Final Pricing Date: [●]
- (v) Initial Pricing Date: [●]
- (vi) Calculation Agent responsible for calculating the redemption amount due: [●]
- (vii) Provisions for determining redemption amount where calculation by reference to Formula is impossible or impracticable: [●]
- (viii) Commodity Reference Price: [●]
- (ix) Delivery Date: [●] / [Not applicable]
- (x) Nearby Month: [●] / [Not applicable]
- (xi) Specified Price: [specify]
- (xii) Exchange(s): The relevant Exchange[s] [is/are] [●] / [Not applicable]
- (xiii) Specified Maximum Days of Disruption: [●]/[two]

(if no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to two) (*applicable only to Price Source Disruption or Trading Disruption*)
- (xiv) Disruption Fallback(s): [As per Commodity Linked Condition 7]/Not applicable]
- (xv) Delayed Redemption on Occurrence of Market Disruption Event: [Applicable with a rate of [●] per cent. per annum/Not applicable]
- (xvi) Knock-in Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Level]]

(*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (a) Knock-in Level: [specify]
- (b) Knock-in Determination Day(s): [specify / Each Commodity Business Day in the Knock-in Determination Period]
- (c) Knock-in Period Beginning Date: [Not applicable / specify]
- (d) Knock-in Period Beginning Date [Applicable / Not applicable]

- Commodity Business Day
Convention:
- (e) Knock-in Period Ending Date: [Not applicable / specify]
- (f) Knock-in Period Ending Date [Applicable / Not applicable]
Commodity Business Day
Convention:
- (g) Knock-in Valuation Time: [specify]/[See definition in Annex 4]/[Valuation Time]
- (xvii) Knock-out Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Level]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Knock-out Level: [specify]
- (b) Knock-out Determination Day(s): [specify / Each Commodity Business Day in the Knock-out Determination Period]
- (c) Knock-out Period Beginning Date: [Not applicable / specify]
- (d) Knock-out Period Beginning Date [Applicable / Not applicable]
Commodity Business Day
Convention:
- (e) Knock-out Period Ending Date: [Not applicable / specify]
- (f) Knock-out Period Ending Date [Applicable / Not applicable]
Commodity Business Day
Convention:
- (g) Knock-out Valuation Time: [specify]/[See definition in Annex 4]/[Valuation Time]
- (xviii) Automatic Early Redemption Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to"] Automatic Early Redemption Price]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Automatic Early Redemption Amount: [specify / See definition in Condition 5 of the Share Linked Conditions]
- (b) Automatic Early Redemption Date(s): [specify] [or if that is not a Business Day the immediately [succeeding/preceding] Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day.]
- (c) Automatic Early Redemption [specify]

Price:

(d) Automatic Early Redemption [specify]
Rate:

(e) Automatic Early Redemption [specify]
Valuation Date(s):

(xix) Weighting: [•]

38. Inflation Linked Redemption Amount: [Applicable/Not applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Index/Indices: [•]

[Composite/non Composite]

(ii) Formula: [•]

(iii) Calculation Agent responsible for [•]
calculating the redemption amount due:

(iv) Provisions for determining redemption [•]
amount where calculation by reference to
Formula is impossible or impracticable:

(v) Cut-Off Date: [•]/[Not applicable]

(vi) Related Bond: [•]/Fallback Bond

(vii) Issuer of Related Bond: [•]/[Not applicable]

(viii) Fallback Bond: [Applicable/Not applicable]

(ix) Index Sponsor: [•]

(x) Related Bond Redemption Event: [Applicable/Not applicable]

(xi) Index Sponsor: [•]

(xii) Substitute Index Level: [As determined in accordance with Condition 1]
/ [specify]

(xiii) Determination Date: [•]

39. Currency Linked Redemption Amount: [Applicable/Not applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Formula: [specify]

(ii) Calculation Agent responsible for [specify / Not applicable]
calculating the redemption amount due:

(iii) Provisions for determining redemption [specify / Not applicable]
amount where calculation by reference to

Formula is impossible or impracticable:

- (iv) Relevant Screen Page: [specify]
- (v) The relevant base currency (the "**Base Currency**") is: [specify]
- (vi) The relevant subject [currency/currencies] ([the]/[each a] "**Subject Currency**") [is/are]: [specify]
- (vii) Weighting: [specify]
- (viii) Price Source: [specify]
- (ix) Specified Maximum Days of Disruption: [specify]/[five] Scheduled Trading Days
- (x) Strike Date: [specify]
- (xi) Averaging Date(s): [specify]
- (xii) Observation Dates: [specify]
- (xiii) Observation Period: [specify]
- (xiv) Settlement Price: [specify]
- (xv) Valuation Time: [specify]
- (xvi) Redemption Valuation Date: [specify]
- (xvii) Knock-in Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Price]]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (a) Knock-in Price/Knock-in Range Level: [specify]
- (b) Knock-in Determination Day(s): [specify / Each Scheduled Trading Day in the Knock-in Determination Period]
- (c) Knock-in Period Beginning Date: [Not applicable / specify]
- (d) Knock-in Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (e) Knock-in Period Ending Date: [Not applicable / specify]
- (f) Knock-in Period Ending Date Scheduled Trading Day Convention: [Applicable / Not applicable]

	(g)	Knock-in Time:	Valuation	[specify/See definition in Annex 6]/[Valuation Time]
(xviii)	Knock-out Event:			[Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Price]] <i>(If not applicable, delete the remaining sub- paragraphs of this paragraph)</i>
	(a)	Knock-out Price:		[specify]
	(b)	Knock-out Determination Day(s):		[specify / Each Scheduled Trading Day in the Knock-out Determination Period]
	(c)	Knock-out Period Beginning Date:		[Not applicable / specify]
	(d)	Knock-out Period Beginning Date Scheduled Trading Day Convention:		[Applicable / Not applicable]
	(e)	Knock-out Period Ending Date:		[Not applicable / specify]
	(f)	Knock-out Period Ending Date Scheduled Trading Day Convention:		[Applicable / Not applicable]
	(g)	Knock-out Time:	Valuation	[specify/See definition in Annex 6]/[Valuation Time]
(xvix)	Delayed Redemption on the Occurrence of a Disruption Event:			[Applicable / Not applicable]
(xx)	Other provisions:			[specify / Not applicable]
40.	Fund Linked Redemption Amount:			[Applicable/Not applicable] <i>(if not applicable, delete the remaining sub- paragraphs of this paragraph)</i>
	(i)	Formula:		[●]
	(ii)	Fund/Fund Basket:		[specify]
	(iii)	Fund Share(s):		[●]
	(iv)	Fund type:		[The Fund is a [Hedge Fund / Mutual Fund / Private Equity Fund] / [specify]]
	(v)	Fund Documents:		[As per condition] [●]
	(vi)	Fund Business Day:		[(Single Fund Share Basis)/(All Fund Shares Basis)/(Per Fund Share Basis)]
	(vii)	Fund Service Provider:		[Specify] / [As per Conditions]

(viii)	Calculation Date(s):	[As per Conditions/Specify]
(ix)	Initial Calculation Date:	[●]/[Not applicable]
(x)	Final Calculation Date:	[●]/[Not applicable]
(xi)	Hedging Date:	[●]
(xii)	Protected Amount:	[Specify]
(xiii)	AUM Level:	[●]
(xiv)	NAV Trigger Percentage:	[●]
(xv)	NAV Trigger Period:	[●]
(xvi)	Number of NAV Publication Days:	[●]
(xvii)	Fund Valuation Date:	[●]
(xviii)	Basket Trigger Level:	[●]
(xix)	Fee:	[●]
(xx)	Calculation Agent responsible for calculating the Final Redemption Amount due:	[●]
(xxi)	Additional Extraordinary Fund Event(s):	(Specify)
(xxii)	Consequences of an Extraordinary Fund Event:	[Specify]/[As per Conditions]
(xxiii)	Termination Amount:	[Principal Protected Termination Amount]/[Non Principal Protected Termination Amount] [Specify]/[Not applicable]
(xxiv)	Simple Interest Spread:	[Specify]
(xxv)	Termination Date:	[Specify]
(xxvi)	Delayed Redemption on Occurrence of Extraordinary Fund Event:	[Applicable]/[Not applicable]
(xxvii)	Delayed Payment Cut-off Date:	[Specify]
(xxviii)	Other Provisions:	[●]
41.	Credit Linked Notes:	[Applicable/Not applicable]
(i)	Type of Credit Linked Notes:	[Single Reference Entity Credit Linked Security] [Nth-to-Default Credit Linked Security] [N: [●]] [Substitution: [Not applicable]]

- [Linear Basket Credit Linked Security]
- [Applicable]/[Other]
- Substitution: [Not applicable]/ [Applicable]
- (ii) Transaction Type: [•]
- (iii) Trade Date: [•]
- (iv) Scheduled Maturity Date: [•]
- (v) Calculation Agent responsible for making calculation and determinations pursuant to Annex 9 (Credit Linked Conditions): [•]
- (vi) Reference Entity(ies): [•]
- Reference Entity Notional Amount: [•]
- (vii) Reference Obligation(s): [•]
- The obligation identified as follows
- (a) Primary Obligor: [•]
- (b) Maturity: [•]
- (c) Coupon: [•]
- (d) CUSIP/ISIN: [•]
- (e) Original issue amount: [•]
- (viii) Settlement Method: [Auction Settlement] / [Cash Settlement] / [Physical Settlement]
- (ix) Fallback Settlement Method: [Cash Settlement] / [Physical Settlement]
- (x) Settlement Currency: [•]
- (xi) LPN Reference Entities: [Not applicable] / [Applicable]
- (xii) Specified Currency: [Standard Specified Currencies] / [Insert details]
- (xiii) Redemption Agent: [•]
- (xiv) Additional Credit Linked Note Disruption Event: [The following Additional Credit Linked Security Disruption Events apply:] / [Not Applicable]
- (Specify each of the following which applies.)
- [Change in Law]
- [Hedging Disruption]
- [Increased Cost of Hedging]
- (xv) Additional provisions: [Insert relevant details]/[Insert any details of

Additional Credit Events]

Terms relating to interest

- (xvi) Cessation of Interest Accrual: [As specified in Credit Linked Condition 3(A)(i)]/ [As set out in Credit Linked Condition 3(A)(ii)]
- (xvii) Interest rate following Scheduled Maturity Date: [As specified in Credit Linked Condition 3(B)(i)]/ [Specify other rate]

Terms relating to Auction Settlement

- (xviii) Auction Settlement Amount: [As per the Credit Linked Conditions]/[●]

Terms relating to Cash Settlement

- (xix) Credit Event Cash Settlement Amount: [As per the Credit Linked Conditions]/[●]
- (xx) Cash Settlement Date: [As per the Credit Linked Conditions]/[●]
- (xxi) Valuation Date: [[●] Business Days/calendar days]
- (xxi) Valuation Time: [●]
- (xxiii) Quotation Amount: [●]
- (xxiv) Minimum Quotation Amount: [As specified in the Credit Linked Conditions]/[●]
- (xxv) Credit Security Dealer: [Insert details]/[As per the Credit Linked Conditions]
- (xxvi) Quotations: [Include Accrued Interest]/[Exclude Accrued Interest]

Terms relating to Physical Settlement

- (xxvii) Accrued Interest: [Include Accrued Interest]/[Exclude Accrued Interest]
- (xxviii) Excluded Deliverable Obligation(s): [●] [Not applicable]

42. Debt Linked Notes

[The provisions of Annex 4 (Additional Terms and Conditions for Debt Linked Notes) shall apply.]/[Not applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Nominal Amount: The nominal amount which is to be used to determine the Cash Settlement Amount is [●] and the relevant screen page ("**Relevant Screen Page**") is [●].
- (ii) Redemption of underlying Debt Securities: Where one or more of the relevant Debt Securities is redeemed (or otherwise ceases to exist) before the expiration of the relevant Certificates, [insert appropriate fallback

		provisions].
(iii)	Exchange Business Day:	"Exchange Business Day" means [●].
(iv)	Valuation Time:	[specify]
(v)	Specified Maximum Days of Disruption:	[specify]
43.	Market Access Notes:	The provisions of Annex [1/2/3] ¹⁸ (Additional Terms and Conditions for [Index/Share/Debt] Notes) and Annex 8 (Additional Terms and Conditions for Market Access Notes) shall apply.] [Not applicable]
		<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	[Share Amount/Debt Securities Amount]:	[specify]
(ii)	Market Access Note Condition 1 (Interim Payment Amount/Interim Coupon Amount) of Annex 8:	[Applicable/Not applicable]
(iii)	The Coupon Payments are:	[specify]
(iv)	Market Access Note Condition 2 (Potential Adjustment Event) of Annex 8:	[Applicable/Not applicable]
(v)	Market Access Note Condition 3 (Stock Dividends or Stock Distributions and rights Issues) of Annex 8:	[Applicable/Not applicable]
(vi)	Market Access Note Condition 4 (Issuer's option following an Additional Disruption Event or Optional Additional Disruption Event) of Annex 8:	[Applicable/Not applicable]
(vii)	Market Access Note Condition 5 (Regulatory Change Event) of Annex 8:	[Applicable/Not applicable]
(viii)	Market Access Note Condition 6 (Early Termination Event) of Annex 8:	[Applicable/Not applicable]
(ix)	Market Access Note Condition 7 (Additional Condition) of Annex 8:	[Applicable/Not applicable]
(x)	Market Access Note Condition 8 (Notes linked to underlying shares that are yet to be listed) of Annex 8:	[Applicable/Not applicable]
	(i)	Expected Listing Date is [specify]
	(ii)	The amount payable in respect of each Note so redeemed shall be [specify amount or manner of determination].

¹⁸

For Market Access Notes include relevant Annex and complete relevant section for Index/Share/Debt Notes and include Annex 8 and complete this paragraph as appropriate.

44. ETI Linked Redemption Amount:	[Applicable/Not applicable]
	<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Formula:	[●]
(ii) ETI/ETI Basket:	[●]
(iii) ETI Interest(s):	[●]
(iv) Exchange(s):	[●]
(v) Related Exchange(s):	[●]/[Not applicable]
(vi) Exchange Business Day:	[(Single ETI Interest Basis)/(All ETI Interests Basis)/(Per ETI Interest Basis)]
(vii) Scheduled Trading Day:	[(Single ETI Interest Basis)/(All ETI Interests Basis)/(Per ETI Interest Basis)]
(viii) ETI Documents:	[●]
(ix) ETI Related Party(ies):	[As per the Conditions / <i>[specify]</i>]
(x) Trade Date:	[●]
(xi) Calculation Date(s):	<i>[specify]</i>
(xii) Initial Calculation Date:	[●]
(xiii) Final Calculation Date:	[●]
(xiv) Hedging Date:	[●]
(xv) Averaging:	Averaging [applies] / [does not apply] to the Notes. [The Averaging Dates are: [●]] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
(xvi) Protected Amount:	<i>[Specify]</i>
(xvii) ETI Interest Correction Period:	[As per the Conditions / <i>[specify]</i>]
(xviii) Value Trigger Percentage:	[●]
(xix) Value Trigger Period:	[●]
(xx) Value per ETI Interest/Trading Price Barrier:	[●]
(xxi) Number of Value Publication Days:	[●]
(xxii) Redemption Valuation Date:	[●]

- (xxiii) Valuation Time: [As per the Conditions / *specify*]
- (xxiv) Basket Trigger Level: [As per the Conditions / *specify*]
- (xxv) Investment/AUM Level: *specify*/[As per the Conditions]
- (xxvi) Maximum Stock Loan Rate: [●]
- (xxvii) Calculation Agent responsible for calculating the Final Redemption Amount due: [●]
- (xxviii) Additional Extraordinary ETI Event(s): [●]
- (xxix) Knock-in Event: [Not applicable / specify ["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Price]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Knock-in Price: *specify*
- (b) Knock-in Determination Day(s): *specify* / Each Scheduled Trading Day in the Knock-in Determination Period]
- (c) Knock-in Period Beginning Date: [Not applicable / *specify*]
- (d) Knock-in Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (e) Knock-in Period Ending Date: [Not applicable / *specify*]
- (f) Knock-in Period Ending Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (g) Knock-in Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-in Determination Day.]
- (xxx) Knock-out Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Price]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Knock-out Price: *specify*
- (b) Knock-out Determination Day(s): *specify* / Each Scheduled Trading Day in the Knock-out Determination Period]

- (c) Knock-out Period [Not applicable / *specify*]
Beginning Date:
- (d) Knock-out Period [Applicable / Not applicable]
Beginning Date
Scheduled Trading Day
Convention:
- (e) Knock-out Period [Not applicable / *specify*]
Ending Date:
- (f) Knock-out Period [Applicable / Not applicable]
Ending Date Scheduled
Trading Day
Convention:
- (g) Knock-out Valuation [Scheduled Closing Time]/[Any time on a
Time: Knock-out Determination Day.]
- (xxxi) Automatic Early Redemption Event: [*specify* / See definition in ETI Linked
Condition 9]
 - (a) Automatic Early [*specify*]
Redemption Amount:
 - (b) Automatic Early [*specify*] [or if that is not a Business Day the
Redemption Date(s): immediately [succeeding/preceding] Business
Day [unless it would thereby fall into the next
calendar month, in which event it will be
brought forward to the immediately preceding
Business Day.]
 - (c) Automatic Early [*specify*]
Redemption Price:
 - (d) Automatic Early [*specify*]
Redemption Rate:
 - (e) Automatic Early [*specify*]
Redemption Valuation
Date(s):
- (xxxii) Termination Amount: [*Specify*]/[Principal Protected Termination
Amount]/[Non Principal Protected Termination
Amount]/[Not applicable]
- (xxxiii) Settlement Price: [As per the Conditions]/[Official Closing
Price]/[Value per ETI Interest]/[*Specify*]
- (xxxiv) Simple Interest Spread: [*Specify*]
- (xxxv) Termination Date: [*Specify*]
- (xxxvi) Specified Maximum Days of Disruption: [●]/[eight]

(N.B. Unless specified otherwise in these Final
Terms, the Specified Maximum Days of

Disruption shall be equal to eight Scheduled Trading Days)

(xxxvii) Delayed Redemption on Occurrence of Extraordinary ETI Event: [Applicable]/[Not applicable]

(xxxviii) Delayed Payment Cut-off Date: [specify]

(xxxix) Other Provisions: [•]

45. Early Redemption

Early Redemption Amount(s) (if required or if different from that set out in Condition 7(e) (*Early Redemption Amount*)): [Liquidation Proceeds/please specify]

Swap Counterparty optional termination - Call option (Condition 7(f) and Condition 8(h)(i)): [Applicable / Not applicable]

Swap Counterparty optional termination - Repurchase (Condition 8(h)(ii)): [Applicable / Not applicable]

Early Redemption Events:

(i) Asset Payment Default Event: [Applicable / Not applicable]

(ii) Asset Default Event: [Applicable / Not applicable]

(iii) Asset Redemption Event: [Applicable / Not applicable]

(iv) Asset Payment Shortfall Event: [Applicable / Not applicable]

(v) Compartment Tax Event: [Applicable / Not applicable]

(vi) Related Agreement Termination Event: [Applicable / Not applicable]

(vii) Annex Early Redemption Event: [Applicable / Not applicable]

(viii) Compartment Change in Law Event [Applicable / Not applicable]

Additional Early Redemption Event(s): [Applicable / Not applicable]

[If applicable, please specify]

Redemption for taxation and other reasons:

– Condition 7(m)(i) (*Redemption of Notes for taxation reasons*) : [Applicable / Not applicable]

[Applicable / Not applicable]

– Condition 7(m)(ii) (*Illegality*) :

Maturity Date Extension: [Applicable / Not applicable]

[if Maturity Date Extension is applicable, specify the Extended Maturity Date].

[if Maturity Date Extension is applicable, specify whether Sale of Assets is applicable or not applicable].

46. Provisions applicable to Physical Delivery¹⁹: [Applicable / Not applicable]
- (i) [Entitlement in relation to each Note Entitlement in relation to each Note is [specify]
- (ii) [Relevant Asset(s): [As specified above] / The relevant asset to which the Notes relate [is/are] [●].
- (iii) Cut-Off Date: [●]/[As specified in Condition [6(b)]]
- (iv) [Settlement Business Day(s): [specify]
- (v) Delivery Agent: [Not applicable/Specify]
47. Variation of Settlement:
- (a) Issuer's option to vary settlement: The Issuer [has/does not have] the option to vary settlement in respect of the Notes.
- (b) Variation of Settlement of Physical Delivery Notes: [Notwithstanding the fact that the Notes are Physical Delivery Notes, the Issuer may make payment of the Final Redemption Amount on the Maturity Date and the provisions of Condition 6(b)(ii)(B) will apply to the Notes./The Issuer will procure delivery of the Entitlement in respect of the Notes and the provisions of Condition 6(b)(ii)(B) will not apply to the Notes.]
48. Order of Priority of payments made by the Issuer: [Select one of "Swap Counterparty Priority", "Pari Passu Ranking" and "Noteholder Priority"]

COMPARTMENT ASSETS AND SECURITY

49. Description of Compartment: [Insert Compartment name / number]
Compartment is a Compartment in respect of which at any time only this Series of Notes may be outstanding.
- Compartment Account: [Applicable/Not applicable]
- Account Bank: [Applicable – BNP Paribas Securities Services, Luxembourg Branch/ Not applicable]
- Cash Manager: [Applicable – BNP Paribas Securities Services, Luxembourg Branch / Not applicable]
- Sub-Custodian in relation to the Compartment Assets: [Applicable / Not applicable]
- Compartment Security for the Notes is "Charged Assets charged to Trustee; additional foreign law security": [Applicable / Not applicable]

¹⁹ Not applicable to Credit Linked Notes or Commodity Linked Notes

General security (if different to Conditions):	[Specify if different or state Not applicable]
Compartment Assets substitution by Swap Counterparty (pursuant to Condition 8(f)):	[Applicable / Not applicable]
– Permitted currency of securities to be substituted for the Compartment Assets (pursuant to Condition 8(f)(i)):	[Specify currency]
– Eligible Compartment Assets Issuer:	[●]
– Alternative Substitution (Condition 8(f)(ii)):	[Applicable / Not applicable]
– Delivery or payment of the securities, obligations or cash which may be substituted for the Compartment Assets to the Custodian by (if not Swap Counterparty): (Condition 8(f)):	[Counterparty]
– Additional documents to be prepared, in addition to a Supplemental Prospectus, by the Issuer in the event substitution occurs:	[Please specify]
Compartment Assets substitution under a Credit Support Annex/Credit Support Deed/Pledge: delivery or payment of securities, obligations or cash by (if not Swap Counterparty) (Condition 8(g)):	[Credit Support Annex/Credit Support Deed/Pledge][Counterparty]
Issuer's rights as holder of Compartment Assets (if different from that set out in Condition 8(j)):	[Applicable / Not applicable] [If applicable, please specify]. [If not applicable, please give details]
Swap Termination Without Redemption:	[Applicable / Not applicable] [If applicable, please give details]
Prescription (if different from terms set out in Condition 9):	[Applicable / Not applicable] [If not applicable, please give details of when Notes will become void if not presented for payment]]
Enforcement and realisation (if different from terms set out in Condition 12):	[Applicable / Not applicable] [If applicable, please give details]
50. Charged Assets:	[Insert description of Charged Assets] [In completing this paragraph, the "Description of Charged Assets" in Part B and the following paragraphs, please consult the provisions of Annex VIII of the Prospectus Directive Regulation. Either

complete each paragraph below and the relevant paragraphs in Part B or describe in this paragraph, including relevant details as applicable from the paragraphs below and the relevant paragraphs in Part B]

- (i) legal jurisdiction by which the Charged Assets are governed: [insert jurisdiction]
- (ii) obligors under the Charged Assets: *[In the case of a small number of easily identifiable obligors, a general description of each obligor.*

In all other cases, a description of: the general characteristics of the obligors; and the economic environment, as well as global statistical data referred to the Compartment Assets]
- (iii) legal nature of the Charged Assets: [Swap agreement/Deposit agreement/other]
- (iv) expiry or maturity date(s) of the Charged Assets: [Maturity Date/other]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 51. Form of Notes: [Bearer Notes:

[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note] [Permanent Bearer Global Note] which is exchangeable for Definitive Bearer Notes [on 60 days' notice given at any time ("**Holder Exchange Event**")/only upon an Exchange Event].

[N.B. if Holder Exchange Event applies, global Notes are exchangeable only for Definitive Notes in an amount equal to the lowest Specified Denomination and no smaller tradeable integral multiple is permitted].

[Temporary Global Note exchangeable for definitive Notes on and after the Exchange Date.]]

[Registered Notes:

Registered Global Note (U.S.\$ [●] nominal amount)/Registered Notes in definitive form (specify nominal amounts)]
- 52. Financial Centre(s) or other special provisions relating to Payment Days for the purposes of Condition 6(a) (*Method of Payment*): [Not applicable/give details] (*Note that this paragraph relates to the place of payment and not interest period end dates to which sub-paragraphs 20(ii) and 21(ii) relate all relevant Financial Centre(s) (including the location of the relevant agent(s)) should be included other than TARGET2*)
- 53. Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which

[Yes/No. If yes, give details]

such Talons mature):

54. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and, if different from those specified in the Temporary Global Note, consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not applicable/give details]

For the purposes of Condition 7(h), "Early Redemption Date" means, in respect of any Note, the seventh Payment Business Day following a Part Payment Default Date

[Applicable / Not applicable]

[If the definition of "Early Redemption Date" set out here is not applicable for the purposes of Condition 7(h), please specify the applicable definition]

For the purposes of Condition 7(h) (Partly Paid Notes), "Settlement Amount" means, in respect of any Note, an amount determined by the Calculation Agent in accordance with the following formula:

[Applicable / Not applicable]

Max [0; [paid-up Nominal Amount - Unwinding Costs]

[If the definition of "Settlement Amount" set out here is not applicable for the purposes of Condition 7(h), please specify the applicable definition]

55. Details relating to Notes redeemable in instalments: amount of each instalment, date on which each payment is to be made: [Not applicable/give details]

(i) Instalment Amounts: [•]

(ii) Instalment Dates: [•]

56. Redenomination, renominatisation and reconventioning provisions: [Not applicable / The provisions [in Condition 19]/[annexed to these Final Terms] apply]

57. Other terms or special conditions: [Not applicable/give details/specify rating, if applicable/specify any Payment Disruption Events and the consequences thereof, if applicable, for the purpose of Condition 6(a)]

DISTRIBUTION

58. Date of [Subscription Agreement]:²⁰ [•]

59. Name of [and address]²¹ Dealer: [•]

²⁰

Delete, if minimum denomination is less than EUR100,000 (or is equivalent in the relevant currency as of the Issue Date) and if the securities are not Derivative Securities.

60. Total commission and concession:²² [●] per cent. of the Aggregate Nominal Amount
61. U.S. Selling Restrictions: [Regulation S. The Securities may not be offered, sold, resold, traded, pledged, redeemed, transferred, delivered or exercised, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person.]
62. Non exempt Offer: [Not applicable] [An offer of the Notes may be made by the Dealers [and *[specify names of other financial intermediaries/placers making non-exempt offers, to the extent known OR consider a generic description of other parties involved in non-exempt offers (e.g. "other parties authorised by the Dealers") or (if relevant) note that other parties may make non-exempt offers in the Public Offer Jurisdictions during the Offer Period, if not known]]* (together with the Managers, the "**Financial Intermediaries**") other than pursuant to Article 3(2) of the Prospectus Directive in *[specify relevant Member State(s) – which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)]* ("**Public Offer Jurisdictions**") during the period from *[specify date]* until *[specify date or a formula such as "the Issue Date" or "the date which falls [●]Business Days thereafter"]* ("**Offer Period**"). See further Paragraph 10 of Part B below.
- (N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)*
63. Additional selling restrictions: [Not applicable/give details]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to trading on [specify relevant regulated market (for example the Bourse de Luxembourg) and, if relevant, listing on an official list (for example, the Official List of the Luxembourg

²¹ Delete if minimum denomination is EUR100,000 (or its equivalent in the relevant currency as of the Issue Date) and if the securities are not Derivative Securities.

²² Delete if minimum denomination is EUR100,000 (or its equivalent in the relevant currency as of the Issue Date) and if the securities are not Derivative Securities.

Stock Exchange)] of the Notes described herein] pursuant to the SecurAsset S.A. €20,000,000,000 Secured Note, Warrant and Certificate Programme.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[Relevant third party information, for example in compliance with Annex XII to the Prospectus Directive Regulation in relation to an index or its components] has been extracted from [specify source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: _____

Duly authorised

By: _____

Duly authorised

PART B – OTHER INFORMATION

1. Listing and Admission to trading

- (i) Listing: [Luxembourg Stock Exchange's Official List/Specify other/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [Luxembourg Stock Exchange's Regulated Market/Luxembourg Stock Exchange's Euro MTF Market/Specify other] with effect from [●].] [Not applicable.]
- (Where documenting a fungible issue need to indicate that original [Notes] are already admitted to trading)]
- (iii) Estimate of total expenses relating to admission to trading: [●]

2. [Risk Factors]

[Include any issue specific risk factors which are not covered under "Risk Factors" in the Base Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute "significant new factors" and consequently trigger the need for either (i) a supplement to the Base Prospectus under Article 16 of the Prospectus Directive and the relevant implementing measures in the Grand Duchy of Luxembourg, the publication of which would in turn trigger the investors' right to withdraw their acceptances within a 48 hour time period or (ii) a Prospectus, in which case a supplement or Prospectus, as applicable, will be drawn up and approved.]]

[Investors may lose the value of their entire investment (together with, in addition to such investment, any amounts which may have accrued on such investment but which have not been paid, if applicable) or part of it, as the case may be, and/or, if the investor's liability is not limited to the value of his investment (such as where the investor may lose, in addition to such investment, any amounts which may have accrued on such investment but which have not been paid, if applicable), a statement of that fact, together with a description of the circumstances in which such additional liability arises and the likely financial effect.]

3. [Interests of Natural and Legal Persons Involved in the [Issue/Offer]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save for any fees payable to the [Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

4. [Reasons for the Offer, Estimated Net Proceeds and Total Expenses]²³

- Reasons for the offer: [●]
- (See "Use of Proceeds" wording in Base Prospectus - if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons*

²³ If the Notes are derivative securities to which Annex XII of the Prospectus Regulation applies, disclosure in respect of Estimated Net Proceeds and Total Expenses is only required if reasons for the offer are disclosed.

here.)

Estimated net proceeds: [●]
(If proceeds are intended for more than one use will need to split out and present in order to priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

Estimated total expenses: [●] *[Expenses are required to be broken down into each principal intended "use" and presented in order or priority of such "uses".]*

(N.B.: If the notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) above are also required.)

5. **[Fixed Rate Notes only - Yield]**

Indication of yield: [●] *[Calculated as [include details of method of calculation in summary form] on the Issue Date.]*

[As set out above, the] [The] yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. **[Floating Rate Notes only - Historic Interest Rates]**

[Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]²⁴

7. **[Performance of Index/ Share/ Commodity/ Inflation/ Foreign Exchange Rate/ Fund/ Reference Entity/ Entities/ ETI, Explanation of Effect on Value of Investment and Associated Risks and Other Information concerning the Underlying]**

Include details of where past and future performance and volatility of the index/commodity/rates/reference entity/fund/ETI/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]²⁵ [Where the underlying is an index, include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer, include details of where the information about the index can be obtained.]²⁶

Where the underlying is a security, include the name of the issuer of the security and the ISIN or equivalent identification number. Where the underlying is a basket of underlying, include the relevant weightings of each underlying in the basket.

Include a description of any market disruption or settlement disruption events that affect the underlying and any adjustment rules in relation to events concerning the underlying (if applicable).

²⁴ Not required for debt securities with a denomination per unit of at least [EUR 50,000] (or its equivalent in the relevant currency as of the Issue Date).

²⁵ Required for Derivative Securities.

²⁶ Required for Derivative Securities.

8. Operational Information

- (i) ISIN Code: [●]
- (ii) Common Code: [●]
- (iii) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg approved by the Issuer and the Issuing and Paying Agent and the relevant identification number(s): [Not applicable/give name(s) and number(s)]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Additional Paying Agent(s) (if any): [Not applicable/give name]

9. [Public Offers]

Offer Period: [●] to [●]

(Should be from the date of publication of the Final Terms to a specified date or a formula such as "the Issue Date" or "the date which falls [●] Business Days thereafter".)

Offer Price: [The Issuer has offered the Notes to the Dealers at the initial issue price of [●] less a total commission of [●]. OR (where the price is not determined at the date of the Final Terms) The issue price of the Notes will be determined by the Issuer and the [Dealers] on or about [●] in accordance with market conditions then prevailing, including [supply and demand for the Notes and other similar securities] [and] [the then current market price of [insert relevant benchmark security, if any].]

Conditions to which the offer is subject: [Offers of the Notes are conditional on their issue [and on any additional conditions set out in the standard terms of business of the Financial Intermediaries, notified to investors by such relevant Financial Intermediaries]]

[Description of the application process: *N/A unless full application process is being followed in relation to the issue*]

[Details of the minimum and/or maximum amount of application *N/A unless full application process is being followed in relation to the issue*]

[Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: *N/A unless full application process is being followed in relation to the issue*]

Details of the method and time limits for paying up and delivering the Notes: [The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys. Investors will be notified by the relevant Financial Intermediary of their allocations of Notes and the

settlement arrangements in respect thereof.]

[Manner and date in which results of the offers are to be made public:

N/A unless the issue is an "up to" issue when disclosure must be included]

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

N/A unless full application process is being followed in relation to the issue]

Categories of potential investors to which the Notes are offered:

[Offers may be made by the Financial Intermediaries in *[insert jurisdiction where the Prospectus has been approved and published and jurisdictions into which it has been passported]* to any person *[insert suitability criteria, if any are deemed appropriate pursuant to any applicable conduct of business rules]*. In other EEA countries, offers will only be made by the Financial Intermediaries pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus.]

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

[Process for notification – N/A unless full application process is being followed in relation to the issue.]

No dealings in the Notes on a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC may take place prior to the Issue Date.]

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

[]

10. **[Placing and Underwriting]**²⁷

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer:²⁸

$$[\bullet]$$

Name and address of any paying agents and depository agents in each country (in addition to the Issuing and Paying Agent):

$$[\bullet]$$

Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements;²⁹

$$[\bullet]$$

When the underwriting agreement has been or will be reached:

[•]

²⁷ Required for Derivative Securities.

²⁸ To the extent known to the Issuer, of the placers in the various countries where the offer takes place.

Where not all of the issue is underwritten, a statement of the portion not covered.

11. Description of Charged Assets

Amount of the Charged Assets:	[●]
Loan to value ratio or level of collateralisation of the Charged Assets:	[●]
Method of origination or creation of the Charged Assets:	[The Issuer shall enter into a swap transaction/a deposit agreement with [entity] on or prior to the Issue Date/other] <i>[Include, for loans and credit agreements, the principal lending criteria and an indication of any loans which do not meet these criteria and any rights or obligations to make further advances]</i>
An indication of any significant representations and collaterals given to the Issuer relating to the Charged Assets:	[Applicable / Not applicable] <i>[If applicable, provide a description]</i>
A description of any relevant insurance policies relating to the Charged Assets:	[Applicable / Not applicable] <i>[If applicable, provide a description, in particular any concentration with one insurer must be disclosed if it is material to the transaction]</i>
Where the Charged Assets comprise obligations of 5 or fewer obligors which are legal persons or where an obligor accounts for 20% or more of the Charged Assets, or where an obligor accounts for a material portion of the Charged Assets:	[Applicable / Not applicable] <i>[If applicable; so far as the Issuer is aware and/or is able to ascertain from information published by the obligor(s) indicate either of the following (as required by Annex VIII of the Prospectus Directive Regulation):</i> <i>(a) information relating to each obligor as if it were an issuer drafting a Registration Document for debt and derivative securities with an individual denomination of at least EUR 50,000; or</i> <i>(b) if an obligor or guarantor has securities already admitted to trading on a regulated or equivalent market or the obligations are guaranteed by an entity admitted to trading on a regulated or equivalent market, the name, address, country of incorporation, nature of business and name of the market in which its</i>

securities are admitted.]

Any relationship that is material to the issue between the Issuer, guarantor (if applicable) and obligor under the Charged Assets:	[Applicable / Not applicable] <i>[If applicable, provide details of the principal terms of that relationship]</i> [•[which is the [insert capacity/capacities] under the Notes] owns all shares but one of the Issuer]
Charged Assets comprising obligations that are not admitted to trading on a regulated or equivalent market:	[Applicable / Not applicable] <i>[If applicable, insert a description of the principal terms and conditions of the obligations.]</i> [The swap transaction entered into between the Issuer and [BNP Paribas] (the "Swap Agreement") is governed by an ISDA Master Agreement dated as of [] (the "ISDA Master Agreement") and is evidenced by a confirmation incorporating by reference to one or more sets of definitions published by ISDA for the relevant Swap Agreement.]
Charged Assets comprising obligations that are admitted to trading on a regulated or equivalent market:	[Applicable / Not applicable] <i>[If applicable, indicate the following:</i> <i>(a) a description of the securities;</i> <i>(b) a description of the market on which they are traded including its date of establishment, how price information is published, an indication of daily trading volumes, information as to the standing of the market in the country and the name of the market's regulatory authority;</i> <i>(c) the frequency with which prices of the relevant securities are published.]</i>
Additional description where more than ten (10) per cent of the Charged Assets comprise equity securities that are not traded on a regulated or equivalent market:	[Applicable / Not applicable] <i>[If applicable, provide a description of those equity securities and equivalent information to that contained in the schedule for share Registration Document in respect of each Issuer of those securities]</i>
Additional description where a material portion of the Charged Assets are secured on or backed by real property:	[Applicable / Not applicable] <i>[If applicable, provide a valuation report relating to the property setting out both the valuation of the</i>

property and cash flow/income streams

Compliance with this disclosure is not required if the issue is of securities backed by mortgage loans with property as security, where there has been no revaluation of the properties for the purpose of the issue, and it is clearly stated that the valuations quoted are as at the date of the original initial mortgage loan origination.]

Flow of funds:

[insert description of how payments are collected in respect of the assets]

[Please include confirmation that the securitised assets backing the issue have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the securities and how the cash flow from the assets will meet the Issuer's obligations to Noteholders, including, if necessary, a financial service table and a description of the assumptions used in developing the table]

[Any amount payable to the Issuer by [BNP Paribas]/[BNP Paribas Arbitrage S.N.C.] under any swap transaction shall be paid directly by [BNP Paribas]/[BNP Paribas Arbitrage S.N.C.] to the Issuer.

The swap transaction has been structured so that the flows under the Notes correspond to the flows under the swap transaction:

- on Issue Date, the Issuer shall pay to the swap counterparty the proceeds of the issue of the Notes;

- during the life of the Notes and in respect of the Maturity Date or the date of any early redemption, any payment by the Issuer to the Noteholders under the Notes will be funded by an amount paid by the swap counterparty to the Issuer under the swap transaction.]

Arrangements upon which payments of interest and principal to investors are dependent:

[Applicable / Not applicable]

[If applicable, provide details]

Names, addresses and significant business activities of the originators of the Compartment Assets:

[Applicable / Not applicable]

[If applicable, provide details]

Name, address and significant business activities of the Calculation Agent, together with a summary of the Calculation Agent's responsibilities, its

[•]

relationship with the originator or the creator of the assets forming the Charged Assets:

Names and addresses and brief [●] description of:

- (a) any swap counterparties and any providers of other material forms of credit/liquidity enhancement; and
- (b) the banks with which the main accounts relating to the Series are held.

Availability of any liquidity supports and any investment parameters for the investment of temporary liquidity surpluses and description of the parties responsible for such investment [Applicable / Not applicable]

[If applicable, provide details]

Information on any credit enhancements, an indication of where material potential liquidity shortfalls may occur and the availability of any liquidity supports and indication of provisions designed to cover interest/principal shortfall risks: [Applicable / Not applicable]

[If applicable, provide an indication of where these may occur]

Without prejudice to the paragraph immediately above, details of any subordinated debt finance [Applicable / Not applicable]

[If applicable, provide details]

Information concerning the Charged Assets reproduced from a source published by a third party: [Applicable / Not applicable]

[If applicable: So far as the Issuer is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information misleading.

12. [Ratings]

Ratings

Ratings: The Notes to be issued have [not] been rated:

[S & P: [●]]

[Moody's: [[●]]]

[[Other]: [[●]]]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider:

[●]

[The Notes to be issued [[have been]/[are expected to be]] rated [insert details] by [insert credit rating agency name(s)].]

[[Insert credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[[Insert credit rating agency] is established in the European Union and is registered under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011, and may be found on the latest update of the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu).]

[[Insert credit rating agency] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011.]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 Regulation (EU) No. 513/2011. However, the application for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011 of [insert the name of the relevant EU CRA affiliate that applied for registration], which is established in the European Union, disclosed the intention to endorse credit ratings of [insert credit rating agency].]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011. The ratings [[have been]/[are expected to be]] endorsed by [insert the name of the relevant EU-

registered credit rating agency] in accordance with Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011. [*Insert the name of the relevant EU-registered credit rating agency*] is established in the European Union and registered under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011, and may be found on the latest update of the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu).]

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011, but it is certified in accordance with such Regulation.]

APPLICABLE WARRANT FINAL TERMS

Set out below is the form of Final Terms which, subject to amendment, will be completed for each Series (and/or Tranche, as the case may be) of Warrants issued under the Programme.

Investors should have sufficient knowledge and experience of financial and business matters to evaluate the merits and risks of investing in a particular issue of Warrants as well as access to, and knowledge of, appropriate analytical tools to assess such merits and risks in the context of their financial situation. Certain issues of Warrants are not an appropriate investment for investors who are unsophisticated with respect to the applicable interest rate indices, currencies, other indices or formulae, or redemption or other rights or options. Investors should also have sufficient financial resources to bear the risks of an investment in Warrants, which may include a total loss of their investments. For a more detailed description of the risks associated with any investment in the Warrants, investors should read the section of the Base Prospectus headed "Risk Factors".

[Date]

SecurAsset S.A.

a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 2-8 avenue Charles de Gaulle, L-1653 Luxembourg, registered with the Luxembourg trade and companies register under number B 144385 subject to the Luxembourg act dated 22 March 2004 on securitisation, as amended (the "Securitisation Act 2004")

acting through its Compartment [●]

Issue of [Number of Warrants] [Series/Tranche] [Title of Warrants] [Guaranteed by [BNPP/specify other] on the terms set out herein] under the €20,000,000,000 Secured Note, Warrant and Certificate Programme

PART A- CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth under the heading "*Terms and Conditions of the Warrants*" in the Base Prospectus dated 29 June 2012 (the "**Base Prospectus**") [[which constitutes a base prospectus for the purposes of the Prospectus Directive and the Prospectus Act 2005]³⁰. This document constitutes the Final Terms of the Warrants described herein [for the purposes of article 5.4 of the Prospectus Directive and article 8.4 of the Prospectus Act 2005]³¹ and must be read in conjunction with the Base Prospectus and any Supplement(s) to such Base Prospectus published prior to the Issue Date (as defined below) (the "**Supplements**")³²; provided, however, that to the extent any such Supplement (i) is published after the date of these Final Terms and (ii) provides for any change to the Conditions as set out under the heading "*Terms and Conditions of the Warrants*" in the Base Prospectus, such change(s) shall have no effect with respect to the Conditions of the Warrants to which these Final Terms relate. Full information on the Issuer], the Guarantor (if applicable)] and the offer of the Warrants is only available on the basis of the combination of these Final Terms, the Base Prospectus and any Supplement(s). Prior to acquiring an interest in the Warrants described herein, prospective investors should read and understand the information provided in the Base Prospectus and any Supplement(s). Copies of the Base Prospectus, any Supplement(s) and these Final Terms are available for inspection from the specified office of the Principal Warrant and Certificate Agent [and on the website of the Luxembourg Stock Exchange (www.bourse.lu)]³³.

³⁰ Delete in the case of any issue of Private Placement Warrants.

³¹ Delete in the case of any issue of Private Placement Warrants.

³² Where applicable, include the date of any Supplements which have been published prior to the date of the Final Terms.

³³ Delete in the case of any issue of Private Placement Warrants or amend as necessary in the case of any issue of warrants which is non-exempt and which will not be listed on the Luxembourg Stock Exchange.

[The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Member State of the European Economic Area (the "**Relevant Member State**")) in which the offer is being made and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU]³⁴.

[The provisions of Annex 1 in the case of Index Linked Warrants, Annex 2 in the case of Share Linked Warrants, Annex 3 in the case of Debt Linked Warrants, Annex 4 in the case of Commodity Linked Warrants, Annex 5 in the case of Inflation Index Linked Warrants, Annex 6 in the case of Currency Linked Warrants, Annex 7 in the case of Fund Linked Warrants, Annex 8 in the case of Market Access Warrants and Annex 10 in the case of ETI Linked Warrants apply to these Final Terms and these Final Terms shall be read together with the Terms and Conditions and such Annex(es). In the event of any inconsistency between the relevant Annex(es) and these Final Terms, these Final Terms shall prevail.]

By subscribing to, or otherwise acquiring, the Warrants, a Warrantholder expressly acknowledges and agrees that:

- (a) the Issuer (i) is subject to the Securitisation Act 2004 and (ii) in connection with the Warrants has created a specific Compartment, which Compartment shall be identified by the number ascribed to it below and is a Compartment within the meaning of the Securitisation Act 2004 to which all assets, rights, claims and agreements relating to the Warrants will be allocated, subject as provided in these Final Terms;
- (b) the provisions with respect to the Order of Priority included in these Final Terms will apply;
- (c) (without prejudice to the rights of holders of Guaranteed Warrants under the Guarantee) all payments to be made by the Issuer in respect of the Warrants and the related Swap Agreement (if any) will be made only from and to the extent of the sums received or recovered from time to time by or on behalf of the Issuer or (following enforcement of the security over the Compartment Assets) the Trustee in respect of the Charged Assets and, following a Warrant Acceleration in respect of the Warrant, the entitlement of the Warrantholder will be limited to such Warrantholder's *pro rata* share of the proceeds of the relevant Charged Assets applied in accordance with the Order of Priority specified in the applicable Final Terms and not to the assets allocated to other compartments created by the Issuer or to any other assets of the Issuer and, in the case of Guaranteed Warrants, (and, in addition in the case of Global Warrants, sums obtained on behalf of Warrantholders by the Trustee, making a claim under the Guarantee), subject to the terms set out in these Final Terms (if applicable) and the relevant provisions of the Guarantee and each Warrantholder further acknowledges and agrees that the Trustee is not obliged to take any action to enforce the obligations of the Issuer or the Guarantor (if applicable) unless directed to do so and indemnified and/or secured to its satisfaction against any liability it may incur;
- (d) once all moneys received by the Trustee in connection with the enforcement of the Compartment Security over the Charged Assets have been applied in accordance with the Order of Priority set out herein and in the Trust Deed, it is not entitled to take any further steps against the Issuer to recover any further sums due and the right to receive any such sum shall be extinguished;
- (e) it shall have no right to attach or otherwise seize the Charged Assets or any other assets of the Issuer, including, without limitation, any assets allocated to any other compartments of the Issuer; and
- (f) no Warrantholder shall be entitled to petition or take any other step for the liquidation, winding-up or the bankruptcy of the Issuer or any similar proceedings.

³⁴

Delete in the case of any issue of Private Placement Warrants.

[Include whichever of the following apply or specify as "Not applicable". Note that the numbering should remain as set out below, even if "Not applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

[When adding any other Final Terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a Supplement to the Base Prospectus under article 16 of the Prospectus Directive and article 13 of the Prospectus Act 2005.]

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

SPECIFIC PROVISIONS FOR EACH SERIES³⁵

SERIES NUMBER	NO. OF WARRANTS ISSUED	[NO. OF WARRANTS PER UNIT]	ISIN	COMMON CODE	ISSUE PRICE PER [WARRANT / UNIT]	CALL/PUT	EXERCISE PRICE	[[EXERCISE PERIOD] DATE]]	[RELEVANT JURISDICTION]	[SHARE AMOUNT/ DEBT SECURITY AMOUNT]	[PARITY
[•]	[•]	[•]	[•]	[•]	[insert currency]	[call/put]	[insert currency]	[•] TO [•]	[•]	[•]	[•]
					[•]		[•]				

GENERAL PROVISIONS

1. (i) Issuer: SecurAsset S.A., a regulated securitisation undertaking within the meaning of the Securitisation Act 2004
 - (ii) [Guarantor: BNP Paribas/other (specify)/Not applicable]
- (Note that prior to the issue of any Guaranteed Warrants (other than unlisted Guaranteed Warrants which are offered in such a manner such that a prospectus is not required in accordance with Article 3(2) of Directive 2003/71/EC, or where BNP Paribas is the Guarantor), a base prospectus supplement will be required to be approved in accordance with Article 16 of the Prospectus Directive giving information about the Guarantor)*
2. (i) Series Number: [•]
 - (ii) Tranche Number: [•]
- (If fungible with an existing Series, details of that Series, including the date on which the Warrants become fungible)*
3. Specified Currency: [•]
 4. Aggregate Number of Warrants: [•]

³⁵

Complete/delete as applicable.

- (i) Series: [●]
- (ii) Tranche: [●]
5. (i) [Issue Price per Warrant:] [●]
- (ii) [Net Proceeds: [●](Required only for listed issues)]
- (iii) Use of Proceeds of Series (other than as specified in the Base Prospectus): [Applicable/Not applicable]
- [If there is a particular identified use of proceeds in addition to or other than that specified in the Base Prospectus under the 'Use of Proceeds' section, provide details]*
6. Calculation Amount: [●]
7. Trade Date: [●]
8. Issue Date: [●]
9. Exercise Date/Exercise Period: [Specify date] [or if that is not a Business Day the immediately [succeeding/preceding] Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day] [(the "Scheduled Exercise Date") [subject to adjustment such that the Exercise Date will always be 5 Business Days following the Final Calculation Date] (include for Fund Linked Warrants.)]
10. Settlement Currency: The settlement currency in respect of the Warrants is [specify].
11. Form of Warrants: [Clearing System Global Warrant/Registered Global Warrant]
12. Types of Warrant: The Warrants are [Index Linked Warrants][Share Linked Warrants][Commodity Linked Warrants][Inflation Linked Warrants][Currency Linked Warrants][Fund Linked Warrants][ETI Linked Warrants][Hybrid Warrants][other]
- The Warrants are [European/American/(specify other)] Style Warrants.
- Automatic Exercise [applies/does not apply].
(N.B. Automatic Exercise may only apply in relation to Cash Settled Warrants)
- [The Warrants are [Put/Call Warrants]]
13. Units: [Applicable / Not applicable]
- (If applicable, specify the number of Warrants that*

constitute a Unit and any other provisions relating to Units)

14. Exchange Rate: [The applicable rate of exchange for conversion of any amount into the relevant settlement currency for the purposes of determining the Settlement Price (as defined in the relevant Annex to the Terms and Conditions) or the Cash Settlement Amount is *[insert rate of exchange and details of how and when such rate is to be ascertained]*]/[Not applicable].
15. Change of Payment Basis: [*Specify details of any provision for change of Warrants into another Payment Basis*]
16. Call Options: [Issuer Call] [Holder Put] [(further particulars specified below)]
17. Listing: [None/See "*Listing Application*" in Part B, paragraph [●] below]
18. Method of distribution: [Non-syndicated]
19. Additional Disruption Events: [As per the Conditions] / [*specify*]
20. Optional Additional Disruption Events: (a) The following Optional Additional Disruption Events apply to the Warrants:

(Specify each of the following which applies. N.B. Optional Additional Disruption Events are applicable to certain Index Linked Warrants, Share Linked Warrants, Commodity Linked Warrants and ETI Linked Warrants. Careful consideration should be given to whether Optional Additional Disruption Events would apply for Debt Linked Warrants, Currency Linked Warrants and Fund Linked Warrants and, if so, the relevant definitions will require amendment.)

[Increased Cost of Hedging]

[Increased Cost of Stock Borrow]

[Insolvency Filing]

(N.B. Only applicable in the case of Share Linked Warrants)

[Cancellation Event]

(N.B. Only applicable in the case of Debt Linked Warrants)

[Loss of Stock Borrow]

[[Stop-Loss Event]

[Stop-Loss Event Percentage: [●] per cent.]]

[Currency Event]

[Force Majeure Event]

[Jurisdiction Event]

[Failure to Deliver due to Illiquidity]

(N.B. Only applicable in the case of Physical Delivery Warrants. Failure to Deliver due to Illiquidity is applicable to certain Share Linked Warrants. Careful consideration should be given to whether Failure to Deliver due to Illiquidity would apply to other Physical Delivery Warrants.)

- (b) [The Maximum Stock Loan Rate in respect of *[specify in relation to each relevant Share]* is [●].

(N.B. Only applicable if Loss of Stock Borrow is applicable)]

[The Initial Stock Loan rate in respect of *[specify in relation to each relevant Share]* is [●].

(N.B. Only applicable if Increased Cost of Stock Borrow is applicable)]

- (c) [The Trade Date is [●].]

PROVISIONS RELATING TO EXERCISE

21. Minimum Exercise Number:

The minimum number of Warrants that may be exercised (including automatic exercise) on any day by any Warrantholder is [●] [and Warrants may only be exercised (including automatic exercise) in integral multiples of [●] Warrants in excess thereof].

22. Maximum Exercise Number:

The maximum number of Warrants that may be exercised on any day by any Warrantholder or group of Warrantholders (whether or not acting in concert) is [●]. *(N.B. not applicable for European Style Warrants).*

23. Issuer Call Option:

[Applicable / Not applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) Early Exercise Event(s): [Specify].
- An "**Early Exercise Event**" shall occur if the Calculation Agent determines that on a day during the period from and including the Issue Date to and excluding the Expiration Date, the [official closing price of the [Share/Debt Securities]/[closing level of the Index] is [equal to or] [above/below] the [Threshold Price/Threshold Level] [specify as applicable]; and
- The [Threshold Price/Threshold Level] is [●].
- (ii) Optional Settlement Valuation Date(s): [●]
- (iii) Optional Settlement Date(s): [●]
- (iv) Optional Settlement Amount(s) and method, if any, of calculation of such amount(s): [●] per Calculation Amount
- (v) If callable in part:
- (a) Minimum Settlement Amount: [●]
- (b) Higher Settlement Amount: [●]
- (vi) Notice period (if other than as set out in the Conditions): [●]
24. Cash Settlement Amount: [[●] per Calculation Amount/see below] The [Index/Share/Commodity/Inflation/Currency/Fund /ETI] Linked Settlement Amount specified below [Physical Settlement: [Applicable/Not applicable]]
25. Index Linked Settlement Amount: [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (i) [Custom] Index / [Custom] Indices / Basket of [Custom] Indices: [●]
- [Composite/non Composite]
- [Bloomberg Code: [●]]
- (ii) [Custom] Index Sponsor(s): [●]
- (iii) Custom Index: [Applicable] / [Not applicable]
- (iv) Index Currency: [Specify] / [Not applicable]
- (v) Screen Page: [Specify]

- (vi) Formula: **[●]**
- (vii) Settlement Price: The Settlement Price will be calculated *[insert calculation method]* / [As set out in the Conditions]
- (viii) Disrupted Day: If the Settlement Valuation Date or Observation Date or an Averaging Date is a Disrupted Day, the Settlement Price will be calculated *[insert calculation method]* / [in accordance with Index Linked Condition 8(B)]³⁶
- (ix) Calculation Agent responsible for calculating the settlement amount due: **[●]**
- (x) Provisions for determining settlement amount where calculation by reference to Formula is impossible or impracticable: **[●]**
- (xi) Strike Date: **[●]**
- (xii) Strike Price: As per Conditions / *[insert calculation method]*
- (xiii) Averaging: Averaging [applies/does not apply] to the Warrants. [The Averaging Dates are **[●]**.]

[In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement]³⁷ / [Index Linked Condition 8(B)]³⁸ will apply.]

[Modified Postponement]

(only applicable if Modified Postponement is applicable as an Averaging election).
- (xiv) Settlement Valuation Date: [Specify]
- (xv) Observation Date(s): [The Observation Date(s) is/are **[●]**/Not applicable].

In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement]³⁹ / [Index Linked Condition 8(B)]⁴⁰ will apply.]
- (xvi) Observation Period: [Specify/Not applicable]
- (xvii) Exchange Business Day: [(All Indices Basis)/(Per Index Basis)(Single Index Basis)] / [Not applicable]

³⁶ Applicable in respect of Custom Indices only

³⁷ Where Custom Index is Not applicable

³⁸ Where Custom Index is Applicable

³⁹ Where Custom Index is Not applicable

⁴⁰ Where Custom Index is Applicable

(xviii) Scheduled Trading Day:	[(All Indices Basis)/(Per Index Basis)(Single Index Basis)] / [Not applicable] <i>(must match election made for Exchange Business Day)</i>
(xix) Custom Index Business Day:	[(All Custom Indices Basis)/(Per Custom Index Basis)(Single Custom Index Basis)] / [Not applicable]
(xx) Scheduled Custom Index Business Day:	[(All Custom Indices Basis)/(Per Custom Index Basis)(Single Custom Index Basis)] / [Not applicable] <i>(must match election made for Custom Index Business Day)</i>
(xxi) Exchange(s) and Index Sponsor:	The relevant Exchange[s] [is/are] [●] / [Not applicable]
(xxii) Related Exchange:	[Specify/All Exchanges] / [Not applicable]
(xxiii) Weighting:	[Not applicable/The Weighting to be applied to each item comprising the basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment [in accordance with the Index Linked Conditions]/[specify other]. (N.B. Only applicable in relation to Cash Settled Warrants relating to a Basket)]
(xxiv) Valuation Time:	[As per the Conditions/Scheduled Closing Time/Any time [on the Valuation Date/during the Observation Period.]] [[●], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.] <i>(N.B. if no time is specified, the Valuation Time will be [the Scheduled Closing Time]⁴¹/[as per the Conditions]⁴²)</i>
(xxv) [Custom] Index Correction Period:	[As per Conditions/[specify]]
(xxvi) Market Disruption:	[Specified Maximum Days of Disruption will be equal to [●]/[eight]] / [Not applicable] (if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight) <i>(N.B. Not applicable in the case of Custom Indices)</i>
(xxvii) Custom Index Disruption Event:	[Specified Maximum Days of Disruption will be

⁴¹ Where Custom Index is Not applicable

⁴² Where Custom Index is Applicable

equal to [●]/[twenty]] / [Not applicable]

(if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to twenty)

(N.B. Only applicable in the case of Custom Indices)

(xxviii) Knock-in Event:

[Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Level]]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Knock-in Level / Knock-in Range Level: [specify]
- (b) Knock-in Determination Day(s): [specify / Each [Scheduled Trading Day/Scheduled Custom Index Business Day] in the Knock-in Determination Period]
- (c) Knock-in Period Beginning Date: [Not applicable / specify]
- (d) Knock-in Period Beginning Date Scheduled Trading Day Convention *(not applicable in the case of Custom Indices)*: [Applicable / Not applicable]
- (e) Knock-in Period Beginning Date Scheduled Custom Index Business Day Convention *(in the case of Custom Indices only)*: [Applicable / Not applicable]
- (f) Knock-in Period Ending Date: [Not applicable / specify]
- (g) Knock-in Period Ending Date Scheduled Trading Day Convention *(not applicable in the case of Custom Indices)*: [Applicable / Not applicable]
- (h) Knock-in Period Ending Date Scheduled Custom Index Business Day Convention *(in the case of Custom Indices only)*: [Applicable / Not applicable]
- (i) Knock-in Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-

		in Determination Day.]
(xxix)	Knock-out Event:	[Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Level]]
		<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(a)	Knock-out Level:	[specify]
(b)	Knock-out Determination Day(s):	[specify / Each [Scheduled Trading Day/ Scheduled Custom Index Business Day] in the Knock-out Determination Period]
(c)	Knock-out Period Beginning Date:	[Not applicable / specify]
(d)	Knock-out Period Beginning Date Scheduled Trading Day Convention <i>(not applicable in the case of Custom Indices)</i> :	[Applicable / Not applicable]
(e)	Knock-out Period Beginning Date Scheduled Custom Index Business Day Convention <i>(in the case of Custom Indices only)</i> :	[Applicable / Not applicable]
(f)	Knock-out Period Ending Date:	[Not applicable / specify]
(g)	Knock-out Period Ending Date Scheduled Trading Day Convention <i>(not applicable in the case of Custom Indices)</i> :	[Applicable / Not applicable]
(h)	Knock-out Period Ending Date Scheduled Custom Index Business Day Convention <i>(in the case of Custom Indices only)</i> :	[Applicable / Not applicable]
(i)	Knock-out Valuation Time:	[Scheduled Closing Time]/[Any time on a Knock-out Determination Day.]
26.	Share Linked Settlement Amount:	[Applicable/Not applicable]
		<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Share(s)/Share Company/Basket Company:	[Insert type of Share(s) and Share Company/Basket Companies]
(ii)	GDR/ADR:	[Applicable / Not applicable]

(Where GDR/ADR is specified as Applicable, Share Linked Conditions 8 - 12 shall apply to the Warrants and the modifications set out in Share Linked Condition 9 shall apply to these Final Terms mutatis mutandis)

- (iii) Relative Performance Basket: **[●]**
- (iv) ISIN of Share(s): **[Specify]**
- (v) Screen Page/Exchange Code: **[Specify]**
- (vi) Share Currency (Currencies): **[Specify]**
- (vii) Formula: **[●]***[N.B If Formula includes initial closing price use term "Initial Price" for relevant definition]*
- (viii) Settlement Price: The Settlement Price will be calculated **[insert calculation method]** / **[As set out in the Conditions]**

[Exchange Rate: []]
- (ix) Disrupted Day: If the Settlement Valuation Date, an Observation Date or an Averaging Date, as the case may be, is a Disrupted Day, the Settlement Price will be calculated *[insert calculation method]*.
- (x) Calculation Agent responsible for calculating the settlement amount due: **[●]**
- (xi) Provisions for determining settlement amount where calculation by reference to Formula is impossible or impracticable: **[●]**
- (xii) Strike Date: **[●]**
- (xiii) Strike Price: **[●]****[As per Conditions]**
- (xiv) Averaging Averaging **[applies/does not apply]** to the Warrants. **[The Averaging Dates are [●].]**

[In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]

[Modified Postponement]

(only applicable if Modified Postponement is applicable as an Averaging election).
- (xv) Settlement Valuation Date: **[Specify]**
- (xvi) Observation Date(s): **[The Observation Date(s) is/are [●]/Not applicable].]**

	[In the event that an Observation Date is a Disrupted Date/[Omission/Postponement/Modified Postponement] will apply.]
(xvii) Observation Period:	[Specify] [Not applicable]
(xviii) Exchange Business Day:	[(All Shares Basis)/(Per Share Basis)(Single Share Basis)]
(xix) Scheduled Trading Day:	[(All Shares Basis)/(Per Share Basis)(Single Share Basis)]
	<i>(must match election made for Exchange Business Day)</i>
(xx) Exchange(s):	The relevant Exchange[s] [is/are] [●].
(xxi) Related Exchange(s):	[Specify/All Exchanges]
(xxii) Weighting:	[Not applicable/The Weighting to be applied to each item comprising the basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in the case of Share Linked Warrants]/[specify other]. <i>(N.B. Only applicable in relation to Cash Settled Warrants relating to a basket)</i>
(xxiii) Valuation Time:	[Scheduled Closing Time/Any time [on the Valuation Date /during the Observation Period.] [The Valuation Time is [●], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.] <i>(N.B. if no time specified, the Valuation Time will be the Scheduled Closing Time).</i>
(xxiv) Share Correction Period:	[As per Conditions/Specify]
(xxv) Market Disruption:	Specified Maximum Days of Disruption will be equal to [●]/[eight]: (if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)
(xxvi) Tender Offer:	[Applicable/Not applicable]
(xxvii) Listing Change:	[Applicable/Not applicable]
(xxviii) Listing Suspension:	[Applicable/Not applicable]
(xxix) Illiquidity:	[Applicable/Not applicable]
(xxx) Knock-in Event:	[Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Price]]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Knock-in Price: [specify]
- (b) Knock-in Range Price: [specify]
- (c) Knock-in Determination Day(s): [specify / Each Scheduled Trading Day in the Knock-in Determination Period]
- (d) Knock-in Period Beginning Date: [Not applicable / specify]
- (e) Knock-in Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (f) Knock-in Period Ending Date: [Not applicable / specify]
- (g) Knock-in Period Ending Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (h) Knock-in Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-in Determination Day.]
- (xxxi) Knock-out Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Price]]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Knock-out Price: [specify]
- (b) Knock-out Determination Day(s): [specify / Each Scheduled Trading Day in the Knock-out Determination Period]
- (c) Knock-out Period Beginning Date: [Not applicable / specify]
- (d) Knock-out Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (e) Knock-out Period Ending Date: [Not applicable / specify]
- (f) Knock-out Period Ending Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (g) Knock-out Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-

		out Determination Day.]
27.	Commodity Linked Settlement Amount:	[Applicable/Not applicable] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Formula:	[●]
(ii)	Commodity/Commodities/ Commodity Index/ Commodity Indices:	[●] [The Sponsor[s] of the Commodity Index/Indices is/are [●]]
(iii)	Pricing Date(s):	[●]
(iv)	Initial Pricing Date:	[●]
(v)	Final Pricing Date:	[●]
(vi)	Calculation Agent responsible for calculating the settlement amount due:	[●]
(vii)	Provisions for determining settlement amount where calculation by reference to Formula is impossible or impracticable:	[●]
(viii)	Commodity Reference Price:	[●]
(ix)	Delivery Date:	[●] / [Not applicable]
(x)	Nearby Month:	[●] / [Not applicable]
(xi)	Specified Price:	[specify]
(xii)	Exchange(s):	The relevant Exchange[s] [is/are] [●] / [Not applicable]
(xiii)	Specified Maximum Days of Disruption:	[●]/[two] <i>(if no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to two) (applicable only to Price Source Disruption or Trading Disruption)</i>
(xiv)	Disruption Fallback(s):	[As per commodity Linked Condition 7]/Not applicable]
(xv)	Knock-in Event:	[Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Level]] <i>(If not applicable, delete the remaining sub- paragraphs of this paragraph)</i>
(a)	Knock-in Level:	[specify]

- (b) Knock-in Determination [specify / Each Commodity Business Day in the Day(s): Knock-in Determination Period]
 - (c) Knock-in Period Beginning [Not applicable / specify] Date:
 - (d) Knock-in Period Beginning [Applicable / Not applicable] Date Commodity Business Day Convention:
 - (e) Knock-in Period Ending [Not applicable / specify] Date:
 - (f) Knock-in Period Ending Date [Applicable / Not applicable] Commodity Business Day Convention:
 - (g) Knock-in Valuation Time: [*specify*]/[See definition in Annex 4]/[Valuation Time]
- (xvi) Knock-out Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Level]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Knock-out Level: [specify]
 - (b) Knock-out Determination [specify / Each Commodity Business Day in the Day(s): Knock-out Determination Period]
 - (c) Knock-out Period Beginning [Not applicable / specify] Date:
 - (d) Knock-out Period Beginning [Applicable / Not applicable] Date Commodity Business Day Convention:
 - (e) Knock-out Period Ending [Not applicable / specify] Date:
 - (f) Knock-out Period Ending [Applicable / Not applicable] Date Commodity Business Day Convention:
 - (g) Knock-out Valuation Time: [*specify*]/[See definition in Annex 4]/[Valuation Time]
- (xvii) Weighting
- [●]

- 28.** Inflation Linked Settlement Amount: [Applicable/Not applicable]
- (if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Index/Indices: [●]
[Composite/non Composite]
 - (ii) Formula: [●]
 - (iii) Calculation Agent responsible for calculating the settlement amount due: [●]
 - (iv) Provisions for determining settlement amount where calculation by reference to Formula is impossible or impracticable: [●]
 - (v) Cut-Off Date: [●]/[Not applicable]
 - (vi) Related Bond: [●]/Fallback Bond
 - (vii) Issuer of Related Bond: [●]/[Not applicable]
 - (viii) Fallback Bond: [Applicable/Not applicable]
 - (ix) Index Sponsor: [●]
 - (x) Related Bond Redemption Event: [Applicable/Not applicable]
 - (xi) Valuation Date: [●]
 - (xii) Index Sponsor: [●]
 - (xiii) Substitute Index Level [As determined in accordance with the Conditions] / [specify]
 - (xiv) Determination Date [●]
- 29.** Currency Linked Settlement Amount: [Applicable/Not applicable]
- (if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Formula: [specify]
 - (ii) Calculation Agent responsible for calculating the redemption amount due: [specify / Not applicable]
 - (iii) Provisions for determining redemption amount where calculation by reference to Formula is impossible or impracticable: [specify / Not applicable]
 - (iv) Relevant Screen Page: [specify]

- (v) The relevant base currency (the *[specify]* "Base Currency") is:
- (vi) The relevant subject *[specify]* *[currency/currencies]* ([the]/[each a] "Subject Currency") [is/are]:
- (vii) Weighting: *[specify]*
- (viii) Price Source: *[specify]*
- (ix) Specified Maximum Days of *[specify]*/[five] Scheduled Trading Days Disruption:
- (x) Strike Date: *[specify]*
- (xi) Averaging Date(s): *[specify]*
- (xii) Observation Dates: *[specify]*
- (xiii) Observation Period: *[specify]*
- (xiv) Settlement Price: *[specify]*
- (xv) Valuation Date: *[specify]*
- (xvi) Valuation Time *[specify]*
- (xvii) Knock-in Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Price]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Knock-in Price/Knock-in Range Level: *[specify]*
- (b) Knock-in Determination Day(s): *[specify]* / Each Scheduled Trading Day in the Knock-in Determination Period]
- (c) Knock-in Period Beginning Date: [Not applicable / *specify*]
- (d) Knock-in Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (e) Knock-in Period Ending Date: [Not applicable / *specify*]
- (f) Knock-in Period Ending Date Scheduled Trading Day Convention: [Applicable / Not applicable]

	(g)	Knock-in Valuation Time:	[specify/See definition in Annex 6]/[Valuation Time]
	(xviii)	Knock-out Event:	[Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Price]] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a)	Knock-out Price:	[specify]
	(b)	Knock-out Determination Day(s):	[specify / Each Scheduled Trading Day in the Knock-out Determination Period]
	(c)	Knock-out Period Beginning Date:	[Not applicable / specify]
	(d)	Knock-out Period Beginning Date Scheduled Trading Day Convention:	[Applicable / Not applicable]
	(e)	Knock-out Period Ending Date:	[Not applicable / specify]
	(f)	Knock-out Period Ending Date Scheduled Trading Day Convention:	[Applicable / Not applicable]
	(g)	Knock-out Valuation Time:	[specify/See definition in Annex 6]/[Valuation Time]
	(xix)	Other provisions:	[specify / Not applicable]
30.		Fund Linked Settlement Amount:	[Applicable/Not applicable] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i)	Formula:	[●]
	(ii)	Fund/Fund Basket:	[specify]
	(iii)	Fund Type:	[The fund is a Hedge Fund/Mutual Fund/Private Equity Fund]/[specify]
	(iv)	Fund Share(s):	[●]
	(v)	Fund Documents:	[As per Conditions]/[●]
	(vi)	Fund Business Day:	[Specify]/[As per Conditions]
	(vii)	Fund Service Provider:	[Specify] /[As per Conditions]
	(viii)	Calculation Date(s):	[As per Conditions/Specify]

(ix)	Initial Calculation Date:	[●]/[Not applicable]
(x)	Final Calculation Date:	[●]/[Not applicable]
(xi)	Hedging Date:	[●]
(xii)	AUM Level:	[●]
(xiii)	NAV Trigger Percentage:	[●]
(xiv)	NAV Trigger Period:	[●]
(xv)	Number of NAV Publication Days:	[●]
(xvi)	Basket Trigger Level:	[●]
(xvii)	Fund Valuation Date:	[●]
(xviii)	Calculation Agent responsible for calculating the Cash Settlement Amount due:	[●]
(xix)	Additional Extraordinary Fund Event(s):	[●]
(xx)	Consequences of an Extraordinary Fund Event:	[specify]/[As per Conditions]
(xxi)	Cancellation on the Occurrence of an Extraordinary Fund Event:	[Applicable/Not applicable]
(xxii)	Termination Amount:	[specify]/[Not applicable]
(xxiii)	Simple Interest Spread:	[specify]
(xxiv)	Termination Date:	[specify]
(xxv)	Delayed Payment Cut-off Date:	[specify]
(xxvi)	Other Provisions:	[●]
- 31.** Debt Linked Warrants: [The provisions of Annex 3 (Additional Terms and Conditions for Debt Linked Warrants) shall apply.]/[Not applicable]
- (if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- | | | |
|------|---|--|
| (i) | Nominal Amount: | The nominal amount which is to be used to determine the Cash Settlement Amount is [●] and the relevant screen page (" Relevant Screen Page ") is [●]. |
| (ii) | Redemption of underlying Debt Securities: | Where one or more of the relevant Debt Securities is redeemed (or otherwise ceases to exist) before the expiration of the relevant Certificates, [insert appropriate fallback provisions]. |

(iii) Exchange Business Day: "Exchange Business Day" means [●].

(iv) Valuation Time: [specify]

(v) Specified Maximum Days of Disruption: [specify]

32. Market Access Warrants: The provisions of Annex [1/2/3]⁴³ (Additional terms and Conditions for [Index/Share/Debt] Linked Warrants) and Annex 8 (Additional Terms and Conditions for Market Access Warrants) shall apply.] [Not applicable]

(if not applicable, delete the remaining subparagraphs of this paragraph)

(i) [Share Amount/Debt Securities Amount]: [specify]

(ii) Market Access Warrant Condition 1 (Interim Payment Amount/Interim Coupon Amount) of Annex 8 [Applicable/Not applicable]

(iii) The Coupon Payments are: [specify]

(iv) Market Access Warrant Condition 2 (Potential Adjustment Event) of Annex 8: [Applicable/Not applicable]

(v) Market Access Warrant Condition 3 (Stock Dividends or Stock Distributions and rights Issues) of Annex 8: [Applicable/Not applicable]

(vi) Market Access Warrant Condition 4 (Issuer's option following an Additional Disruption Event or Optional Additional Disruption Event) of Annex 8: [Applicable/Not applicable]

(vii) Market Access Warrant Condition 5 (Regulatory Change Event) of Annex 8: [Applicable/Not applicable]

⁴³ For Market Access Warrants include relevant Annex and complete relevant section for Index/Share/Debt Warrants and include Annex 8 and complete this paragraph as appropriate.

- (viii) Market Access Warrant Condition 6 (Early Termination Event) of Annex 8: [Applicable/Not applicable]
 - (ix) Market Access Warrant Condition 7 (Additional Condition) of Annex 8: [Applicable/Not applicable]
 - (x) Market Access Warrant Condition 8 (Warrants linked to underlying shares that are yet to be listed) of Annex 9: [Applicable/Not applicable]
 - (i) Expected Listing Date is [specify]
 - (ii) The amount payable in respect of each Warrant so cancelled shall be [specify amount or manner of determination].
- 33. ETI Linked Settlement Amount:** [Applicable/Not applicable]
- (if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) ETI/ETI Basket: [●]
 - (ii) ETI Interest(s): [●]
 - (iii) Exchange(s): [●]
 - (iv) Related Exchange: [●]/[Not applicable]
 - (v) Exchange Business Day: [(Single ETI Interest Basis)/(All ETI Interests Basis)/(Per ETI Interest Basis)]
 - (vi) Scheduled Trading Day: [(Single ETI Interest Basis)/(All ETI Interests Basis)/(Per ETI Interest Basis)]
 - (vii) ETI Documents: [●]
 - (viii) ETI Related Party(ies): [As per the Conditions / [specify]]
 - (ix) Trade Date: [●]
 - (x) Calculation Date(s): [specify]
 - (xi) Initial Calculation Date: [●]
 - (xii) Final Calculation Date: [●]
 - (xiii) Hedging Date: [●]
 - (xiv) Averaging: Averaging [applies] / [does not apply] to the Warrants.
[The Averaging Dates are: [●]]
[In the event that an Averaging Date is a

Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]

- (xv) ETI Interest Correction Period: [As per the Conditions / *[specify]*]
- (xvi) Value Trigger Percentage: [●]
- (xvii) Value Trigger Period: [●]
- (xviii) Value per ETI Interest/Trading Price Barrier: [●]
- (xix) Number of Value Publication Days: [●]
- (xx) Valuation Date: [●]
- (xxi) Valuation Time: [As per the Conditions / *[specify]*]
- (xxii) Basket Trigger Level: [As per the Conditions / *[specify]*]
- (xxiii) Investment/AUM Level: *[specify]*/[As per the Conditions]
- (xxiv) Maximum Stock Loan Rate: [●]
- (xxv) Calculation Agent responsible for calculating the Cash Settlement Amount due: [●]
- (xxvi) Additional Extraordinary ETI Event(s): [●]
- (xxvii) Knock-in Event: [Not applicable / specify ["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Price]]

(If not applicable, delete the remaining subparagraphs of this paragraph)
 - (a) Knock-in Price: *[specify]*
 - (b) Knock-in Determination Day(s): *[specify / Each Scheduled Trading Day in the Knock-in Determination Period]*

- (c) Knock-in Period Beginning Date: [Not applicable / *specify*]
- (d) Knock-in Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (e) Knock-in Period Ending Date: [Not applicable / *specify*]
- (f) Knock-in Period Ending Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (e) Knock-in Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-in Determination Day.]
- (xxviii) Knock-out Event: [Not applicable / *specify* /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Price]]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Knock-out Price: [*specify*]
- (b) Knock-out Determination Day(s): [*specify* / Each Scheduled Trading Day in the Knock-out Determination Period]
- (c) Knock-out Period Beginning Date: [Not applicable / *specify*]
- (d) Knock-out Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (e) Knock-out Period Ending Date: [Not applicable / *specify*]
- (f) Knock-out Period Ending Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (g) Knock-out Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-out Determination Day.]
- (xxix) Termination Amount: [*Specify*]/ Not applicable]

(xxx) Settlement Price: [As per the Conditions]/[Official Closing Price]/[Value per ETI Interest]/[Specify]

(xxxi) Termination Date: [Specify]

(xxxii) Specified Maximum Days of Disruption: [●]/[eight]
(N.B. Unless specified otherwise in these Final Terms, the Specified Maximum Days of Disruption shall be equal to eight Scheduled Trading Days)

(xxxiii) Other Provisions: [●]

35. Early Termination:

Early Termination Amount(s) (if required or if different from that set out in Condition 8(c) (Early Termination Amount)): [Liquidation Proceeds/please specify]

Swap Counterparty optional termination - Call option Condition 9(h)(i) [Applicable / Not applicable]

Swap Counterparty optional termination - Repurchase (Condition 9(h)(ii)) [Applicable / Not applicable]

Early Termination Events:

Asset Payment Default Event: [Applicable / Not applicable]

Asset Default Event: [Applicable / Not applicable]

Asset Redemption Event: [Applicable / Not applicable]

Asset Payment Shortfall Event: [Applicable / Not applicable]

Compartment Tax Event: [Applicable / Not applicable]

Related Agreement Termination Event: [Applicable / Not applicable]

Annex Early Termination Event: [Applicable / Not applicable]

Compartment Change in Law Event: [Applicable / Not applicable]

Additional Early Termination Event(s): [Applicable / Not applicable]

[If applicable, please specify]

Termination for taxation and other reasons:

– Condition 7(m)(i) [Applicable / Not applicable]
(Cancellation of Warrants for taxation reasons) :

– Condition 7(m)(ii) [Applicable / Not applicable]
(Illegality) :

Settlement Date Extension [Applicable / Not applicable]

[(if Settlement Date Extension is applicable, specify the Extended Settlement Date)].

[(if Settlement Date Extension is applicable, specify whether Sale of Assets is applicable or not applicable)].

- 36.** Provisions applicable to Physical Delivery⁴⁴: [Applicable / Not applicable]
- (i) [Entitlement in relation to each Warrant: Entitlement in relation to each Warrant is [specify]
- The Entitlement will be evidenced by *[insert details of how the Entitlement will be evidenced]*.
- [The Entitlement will be delivered *[insert details of the method of delivery of the Entitlement]*].
- (N.B. Only applicable in relation to Physical Delivery Warrants)]*
- (ii) [Relevant Asset(s): [As specified above] / The relevant asset to which the Warrants relate [is/are] [●].
- (iii) Cut-Off Date: [●]/[As specified in Condition 5(g)(iii)]
- (iv) Settlement Date: [●]
- (v) [Settlement Business Day(s): [specify]
- (vi) Delivery Agent: [Not applicable/Specify]
- 37.** Variation of Settlement:
- (i) Issuer's option to vary settlement: The Issuer [has/does not have] the option to vary settlement in respect of the Warrants.
- (ii) Variation of Settlement of Physical Delivery Warrants: [Notwithstanding the fact that the Warrants are Physical Delivery Warrants, the Issuer may make payment of the Cash Settlement Amount on the Settlement Date and the provisions of Condition 6(b)(ii)(B) will apply to the Warrants./The Issuer will procure delivery of the Entitlement in respect of the Warrants and the provisions of Condition 6(b)(ii)(B) will not apply to the Warrants.]
- 38.** Order of Priority of payments made by the Issuer: *[Select one of "Swap Counterparty Priority", "Pari Passu Ranking" and "Warrantholder Priority"]*

COMPARTMENT ASSETS AND SECURITY

- 39.** Description of Compartment: *[Insert Compartment name / number]*
Compartment is a Compartment in respect of which at any time only this Series of Warrants

⁴⁴ Not applicable to Commodity Linked Warrants

	may be outstanding.
Compartment Account:	[Applicable/Not applicable]
Account Bank:	[Applicable – BNP Paribas Securities Services, Luxembourg Branch/ Not applicable]
Cash Manager:	[Applicable – BNP Paribas Securities Services, Luxembourg Branch / Not applicable]
Sub-Custodian in relation to the Compartment Assets:	[Applicable / Not applicable]
Compartment Security for the Warrants is "Charged Assets charged to Trustee; additional foreign law security":	[Applicable / Not applicable]
General security (if different to Conditions):	[Specify if different or state/Not applicable]
Compartment Assets substitution by Swap Counterparty (pursuant to Condition 8(f)):	[Applicable / Not applicable]
– Permitted currency of securities to be substituted for the Compartment Assets (pursuant to Condition 8(f)(i)):	[Specify currency]
– Eligible Compartment Assets Issuer:	【●】
– Alternative Substitution (Condition 8(f)(ii)):	[Applicable / Not applicable]
– Delivery or payment of the securities, obligations or cash which may be substituted for the Compartment Assets to the Custodian by (if not Swap Counterparty): (Condition 8(f)):	[Counterparty]
– Additional documents to be prepared, in addition to a Supplemental Prospectus, by the Issuer in the event substitution occurs:	[Please specify]
Compartment Assets substitution under a Credit Support Annex/Credit Support Deed/Pledge: delivery or payment of securities, obligations or cash by (if not Swap Counterparty) (Condition 9(g)):	[Credit Support Annex/Credit Support Deed/Pledge][Counterparty]
Issuer's rights as holder of Compartment Assets (if different from that set out in	[Applicable / Not applicable] [If applicable, please specify].

Condition 9(j)):

[If not applicable, please give details]

Swap Termination Without Cancellation:

[Applicable / Not applicable]

[If applicable, please give details]

Enforcement and realisation (if different from terms set out in Condition 13):

[Applicable / Not applicable]

[If applicable, please give details]

40. Charged Assets:

[Insert description of Charged Assets]

[In completing this paragraph, the "Description of Charged Assets" in Part B and the following paragraphs, please consult the provisions of Annex VIII of the Prospectus Directive Regulation. Either complete each paragraph below and the relevant paragraphs in Part B or describe in this paragraph, including relevant details as applicable from the paragraphs below and the relevant paragraphs in Part B]

(i) legal jurisdiction by which the Charged Assets are governed:

[insert jurisdiction]

(ii) obligors under the Charged Assets:

[In the case of a small number of easily identifiable obligors, a general description of each obligor]

In all other cases, a description of: the general characteristics of the obligors; and the economic environment, as well as global statistical data referred to the Compartment Assets]

(iii) legal nature of the Charged Assets:

[Swap agreement/Deposit agreement/other]

(iv) expiry or maturity date(s) of the Charged Assets:

[Exercise Date/other]

GENERAL PROVISIONS APPLICABLE TO THE WARRANTS

41. Additional Business Centre(s) or other special provisions relating to Business Days (as set out in Condition 12):

[Not applicable/give details] (All relevant financial centre(s) (including the location of the relevant agent(s)) should be included other than TARGET2.)

42. Redenomination, and reconventioning provisions:

[Not applicable / The provisions [in Condition 18]/[annexed to these Final Terms] apply]

43. Other terms or special conditions:

[Not applicable/give details/specify rating, if applicable/specify any Payment Disruption Events and the consequences thereof, if applicable, for the purpose of Condition 6(a)]

DISTRIBUTION

44. Date of [Subscription Agreement]: [●]
45. Name of [and address] Dealer:
46. Total commission and concession: [●]
47. U.S. Selling Restrictions: [Regulation S. The Securities may not be offered, sold, resold, traded, pledged, redeemed, transferred, delivered or exercised, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person.]
48. Non exempt Offer: [Not applicable] [An offer of the Warrants may be made by the Dealers [and *[specify names of other financial intermediaries/placers making non-exempt offers, to the extent known OR consider a generic description of other parties involved in non-exempt offers (e.g. "other parties authorised by the Dealers") or (if relevant) note that other parties may make non-exempt offers in the Public Offer Jurisdictions during the Offer Period, if not known]]* (together with the Managers, the "**Financial Intermediaries**") other than pursuant to Article 3(2) of the Prospectus Directive in *[specify relevant Member State(s) – which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)]* ("**Public Offer Jurisdictions**") during the period from *[specify date]* until *[specify date or a formula such as "the Issue Date" or "the date which falls [●]Business Days thereafter"]* ("**Offer Period**"). See further Paragraph 10 of Part B below.
- (N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)*
49. Additional selling restrictions: [Not applicable/give details]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to trading on [specify relevant regulated market (for example the Bourse de Luxembourg) and, if relevant, listing on an official list (for example, the Official List of the Luxembourg Stock Exchange)] of the Warrants described herein] pursuant to the SecurAsset S.A. €20,000,000,000 Secured Note, Warrant and Certificate Programme.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[Relevant third party information, for example in compliance with Annex XII to the Prospectus Directive Regulation in relation to an index or its components] has been extracted from [specify source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: _____

Duly authorised

By: _____

Duly authorised

PART B – OTHER INFORMATION

1. Listing and Admission to trading

- (i) Listing: [Luxembourg Stock Exchange's Official List/Specify other/None]
- (ii) Admission to trading: [Application has been made for the Warrants to be admitted to trading on [Luxembourg Stock Exchange's Regulated Market/Luxembourg Stock Exchange's Euro MTF Market/Specify other] with effect from [●].] [Not applicable.]
- (Where documenting a fungible issue need to indicate that original [Warrants] are already admitted to trading)]*
- (iii) Estimate of total expenses [●]
related to admission to trading:

2. [Risk Factors]

[Include any issue specific risk factors which are not covered under "Risk Factors" in the Base Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute "significant new factors" and consequently trigger the need for either (i) a supplement to the Base Prospectus under Article 16 of the Prospectus Directive and the relevant implementing measures in the Grand Duchy of Luxembourg, the publication of which would in turn trigger the investors' right to withdraw their acceptances within a 48 hour time period or (ii) a Prospectus, in which case a supplement or Prospectus, as applicable, will be drawn up and approved.]]

[Investors may lose the value of their entire investment (together with, in addition to such investment, any amounts which may have accrued on such investment but which have not been paid, if applicable) or part of it, as the case may be, and/or, if the investor's liability is not limited to the value of his investment (such as where the investor may lose, in addition to such investment, any amounts which may have accrued on such investment but which have not been paid, if applicable), a statement of that fact, together with a description of the circumstances in which such additional liability arises and the likely financial effect.]

3. [Interests of Natural and Legal Persons Involved in the [Issue/Offer]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save for any fees payable to the [Dealers], so far as the Issuer is aware, no person involved in the offer of the Warrants has an interest material to the offer."

4. [Reasons for the Offer, Estimated Net Proceeds and Total Expenses]⁴⁵

Reasons for the offer:

[●]

(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)

Estimated net proceeds:

[●]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

Estimated total expenses:

[●] *[Expenses are required to be broken down into each principal intended "use" and presented in order or priority of such "uses".]*

(N.B.: Where Annex XII of the Prospectus Directive Regulation applies in respect of the Warrants (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) and (iii) above are also required.)

5. [Performance of Index/ Share/ Commodity/ Inflation/ Foreign Exchange Rate/ Fund/ Reference Entity/ Entities/ ETI, Explanation of Effect on Value of Investment and Associated Risks and Other Information concerning the Underlying]

Include details of where past and future performance and volatility of the index/commodity/rates/reference entity/fund/ETI/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]⁴⁶ [Where the underlying is an index, include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer, include details of where the information about the index can be obtained.]⁴⁷

Where the underlying is a security, include the name of the issuer of the security and the ISIN or equivalent identification number. Where the underlying is a basket of underlying, include the relevant weightings of each underlying in the basket.

Include a description of any market disruption or settlement disruption events that affect the underlying and any adjustment rules in relation to events concerning the underlying (if applicable).

6. Operational Information

(i) ISIN Code:

[●]

(ii) Common Code:

[●]

(iii) Any clearing system(s) other than [Not applicable/give name(s) and number(s)]

⁴⁵ Where Annex XII of the Prospectus Regulation applies, disclosure in respect of Estimated Net Proceeds and Total Expenses is only required if reasons for the offer are disclosed.

⁴⁶ Required where Annex XII of the Prospectus Regulation applies.

⁴⁷ Required where Annex XII of the Prospectus Regulation applies.

Euroclear and Clearstream, Luxembourg approved by the Issuer and the Issuing and Paying Agent and the relevant identification number(s):

(iv) Delivery: Delivery [against/free of] payment

(v) Additional Paying Agent(s) (if any): [Not applicable/give name]

7. [Public Offers]

Offer Period: [●] to [●]

(Should be from the date of publication of the Final Terms to a specified date or a formula such as "the Issue Date" or "the date which falls [●] Business Days thereafter".)

Offer Price: [The Issuer has offered the Warrants to the Dealers at the initial issue price of [●] less a total commission of [●]. OR (where the price is not determined at the date of the Final Terms) The issue price of the Warrants will be determined by the Issuer and the [Dealers] on or about [●] in accordance with market conditions then prevailing, including [supply and demand for the Warrants and other similar securities] [and] [the then current market price of [insert relevant benchmark security, if any].]

Conditions to which the offer is subject: [Offers of the Warrants are conditional on their issue [and on any additional conditions set out in the standard terms of business of the Financial Intermediaries, notified to investors by such relevant Financial Intermediaries]]

[Description of the application process: N/A unless full application process is being followed in relation to the issue]

[Details of the minimum and/or maximum amount of application: N/A unless full application process is being followed in relation to the issue]

[Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: N/A unless full application process is being followed in relation to the issue]

Details of the method and time limits for paying up and delivering the Warrants: [The Warrants will be issued on the Issue Date against payment to the Issuer of the net subscription moneys. Investors will be notified by the relevant Financial Intermediary of their allocations of Warrants and the settlement arrangements in respect thereof.]

[Manner and date in which results of the offers are to be made public: N/A unless the issue is an "up to" issue when disclosure must be included]

[Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not N/A unless full application process is being followed in relation to the issue]

exercised:

Categories of potential investors to which the Warrants are offered:

[Offers may be made by the Financial Intermediaries in *[insert jurisdiction where the Prospectus has been approved and published and jurisdictions into which it has been passported]* to any person *[insert suitability criteria, if any are deemed appropriate pursuant to any applicable conduct of business rules]*. In other EEA countries, offers will only be made by the Financial Intermediaries pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus.]

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

[Process for notification – N/A unless full application process is being followed in relation to the issue.]

[No dealings in the Warrants on a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC may take place prior to the Issue Date.]

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

[]]

8. [Placing and Underwriting]⁴⁸

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer:⁴⁹ [•]

Name and address of any paying agents and depository agents in each country (in addition to the Issuing and Paying Agent): [•]

Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements:⁵⁰ [•]

When the underwriting agreement has been or will be reached: [•]

9. Description of Charged Assets

Amount of the Charged Assets: [•]

Loan to value ratio or level of collateralisation of the Charged Assets: [•]

Method of origination or creation of the Charged Assets: [The Issuer shall enter into a swap transaction/a deposit agreement with *[entity]* on or prior to the Issue Date/*other*]

⁴⁸ Required where Annex XII of the Prospectus Regulation applies.

⁴⁹ To the extent known to the Issuer, of the placers in the various countries where the offer takes place.

⁵⁰ Where not all of the issue is underwritten, a statement of the portion not covered.

[Include, for loans and credit agreements, the principal lending criteria and an indication of any loans which do not meet these criteria and any rights or obligations to make further advances]

An indication of any significant representations and collaterals given to the Issuer relating to the Charged Assets:

[Applicable / Not applicable]

[If applicable, provide a description]

A description of any relevant insurance policies relating to the Charged Assets:

[Applicable / Not applicable]

[If applicable, provide a description, in particular any concentration with one insurer must be disclosed if it is material to the transaction]

Where the Charged Assets comprise obligations of 5 or fewer obligors which are legal persons or where an obligor accounts for 20% or more of the Charged Assets, or where an obligor accounts for a material portion of the Charged Assets:

[Applicable / Not applicable]

[If applicable; so far as the Issuer is aware and/or is able to ascertain from information published by the obligor(s) indicate either of the following (as required by Annex VIII of the Prospectus Directive Regulation):

(a) information relating to each obligor as if it were an issuer drafting a Registration Document for debt and derivative securities with an individual denomination of at least EUR 50,000; or

(b) if an obligor or guarantor has securities already admitted to trading on a regulated or equivalent market or the obligations are guaranteed by an entity admitted to trading on a regulated or equivalent market, the name, address, country of incorporation, nature of business and name of the market in which its securities are admitted.]

Any relationship that is material to the issue between the Issuer, guarantor and obligor under the Charged Assets:

[Applicable / Not applicable]

[If applicable, provide details of the principal terms of that relationship]

[• [which is the [insert capacity/capacities] under the Warrants]

Charged Assets comprising obligations that are not admitted to trading on a regulated or

[Applicable / Not applicable]

equivalent market:

[If applicable, insert a description of the principal terms and conditions of the obligations.]

[The swap transaction entered into between the Issuer and [BNP Paribas] (the "**Swap Agreement**") is governed by an ISDA Master Agreement dated as of [] (the "**ISDA Master Agreement**") and is evidenced by a confirmation incorporating by reference to one or more sets of definitions published by ISDA for the relevant Swap Agreement.]

Charged Assets comprising obligations that are admitted to trading on a regulated or equivalent market:

[Applicable / Not applicable]

[If applicable, indicate the following:

- (a) a description of the securities;*
- (b) a description of the market on which they are traded including its date of establishment, how price information is published, an indication of daily trading volumes, information as to the standing of the market in the country and the name of the market's regulatory authority;*
- (c) the frequency with which prices of the relevant securities are published.]*

Additional description where more than ten (10) per cent of the Charged Assets comprise equity securities that are not traded on a regulated or equivalent market:

[Applicable / Not applicable]

[If applicable, provide a description of those equity securities and equivalent information to that contained in the schedule for share Registration Document in respect of each Issuer of those securities]

Additional description where a material portion of the Charged Assets are secured on or backed by real property:

[Applicable / Not applicable]

[If applicable, provide a valuation report relating to the property setting out both the valuation of the property and cash flow/income streams]

Compliance with this disclosure is not required if the issue is of securities backed by mortgage loans with property as security, where there has been no revaluation of the properties for the purpose of the issue, and it is clearly stated that the valuations quoted are as at the date of the original initial

mortgage loan origination.]

Flow of funds:

[Insert description of how payments are collected in respect of the assets]

[Please include confirmation that the securitised assets backing the issue have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the securities and how the cash flow from the assets will meet the Issuer's obligations to Holders of Securities, including, if necessary, a financial service table and a description of the assumptions used in developing the table]

[Any amount payable to the Issuer by [BNP Paribas] under any swap transaction shall be paid directly by [BNP Paribas] to the Issuer.

The swap transaction has been structured so that the flows under the Warrants correspond to the flows under the swap transaction:

- on Issue Date, the Issuer shall pay to the swap counterparty the proceeds of the issue of the Warrants;

- during the life of the Warrants and in respect of the Settlement Date or the date of any early termination, any payment by the Issuer to the Warrantholders under the Warrants will be funded by an amount paid by the swap counterparty to the Issuer under the swap transaction.]

Arrangements upon which payments to investors are dependent:

[Applicable / Not applicable]

[If applicable, provide details]

Names, addresses and significant business activities of the originators of the Compartment Assets

[Applicable / Not applicable]

[If applicable, provide details]

Name, address and significant business activities of the Calculation Agent, together with a summary of the Calculation Agent's responsibilities, its relationship with the originator or the creator of the assets forming the Charged Assets

[•]

Names and addresses and brief description of:

[•]

(a) any swap counterparties and any

providers of other material forms of credit/liquidity enhancement; and

- (b) the banks with which the main accounts relating to the Series are held.

Availability of any liquidity supports and any investment parameters for the investment of temporary liquidity surpluses and description of the parties responsible for such investment

[Applicable / Not applicable]

[If applicable, provide details]

Information on any credit enhancements, an indication of where material potential liquidity shortfalls may occur and the availability of any liquidity supports and indication of provisions designed to cover interest/principal shortfall risks:

[Applicable / Not applicable]

[If applicable, provide an indication of where these may occur]

Without prejudice to the paragraph immediately above, details of any subordinated debt finance

[Applicable / Not applicable]

[If applicable, provide details]

Information concerning the Charged Assets reproduced from a source published by a third party:

[Applicable / Not applicable]

[If applicable: So far as the Issuer is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information misleading].

10. [Rating]

Ratings

Ratings: The Warrants to be issued have [not] been rated:

[S & P: [●]]

[Moody's: [[●]]]

[[Other]: [[●]]]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider:

[●]

[The Warrants to be issued [[have

been)/[are expected to be]] rated [insert details] by [insert credit rating agency name(s)].]

[[Insert credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011 although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[[Insert credit rating agency] is established in the European Union and is registered under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011, and may be found on the latest update of the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu).]

[[Insert credit rating agency] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011.]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011. However, the application for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011 of [insert the name of the relevant EU CRA affiliate that applied for registration], which is established in the European Union, disclosed the intention to endorse credit ratings of [insert credit rating agency].]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011. The ratings [[have been]/[are expected to be]] endorsed by [insert the name of the relevant EU-registered credit rating agency] in accordance with Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011. [Insert the name of the

relevant EU-registered credit rating agency] is established in the European Union and registered under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011, and may be found on the latest update of the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu).]

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011, but it is certified in accordance with such Regulation.]

APPLICABLE CERTIFICATE FINAL TERMS

Set out below is the form of Final Terms which, subject to amendment, will be completed for each Series (and/or Tranche, as the case may be) of Certificates issued under the Programme.

Investors should have sufficient knowledge and experience of financial and business matters to evaluate the merits and risks of investing in a particular issue of Certificates as well as access to, and knowledge of, appropriate analytical tools to assess such merits and risks in the context of their financial situation. Certain issues of Certificates are not an appropriate investment for investors who are unsophisticated with respect to the applicable interest rate indices, currencies, other indices or formulae, or redemption or other rights or options. Investors should also have sufficient financial resources to bear the risks of an investment in Certificates, which may include a total loss of their investments. For a more detailed description of the risks associated with any investment in the Certificates, investors should read the section of the Base Prospectus headed "Risk Factors".

[Date]

SecurAsset S.A.

a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 2-8 avenue Charles de Gaulle, L-1653 Luxembourg, registered with the Luxembourg trade and companies register under number B 144385 subject to the Luxembourg act dated 22 March 2004 on securitisation, as amended (the "Securitisation Act 2004")

acting through its Compartment [●]

Issue of [Number of Certificates] [Series/Tranche] [Title of Certificates] [Guaranteed by [BNPP/specify other] on the terms set out herein] under the €20,000,000,000 Secured Note, Warrant and Certificate Programme

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth under the heading "*Terms and Conditions of the Certificates*" in the Base Prospectus dated 29 June 2012 (the "**Base Prospectus**") [[which constitutes a base prospectus for the purposes of the Prospectus Directive and the Prospectus Act 2005]⁵¹. This document constitutes the Final Terms of the Certificates described herein [for the purposes of article 5.4 of the Prospectus Directive and article 8.4 of the Prospectus Act 2005]⁵² and must be read in conjunction with the Base Prospectus and any Supplement(s) to such Base Prospectus published prior to the Issue Date (as defined below) (the "**Supplements**")⁵³; provided, however, that to the extent any such Supplement (i) is published after the date of these Final Terms and (ii) provides for any change to the Conditions as set out under the heading "*Terms and Conditions of the Certificates*" in the Base Prospectus, such change(s) shall have no effect with respect to the Conditions of the Certificates to which these Final Terms relate. Full information on the Issuer [, the Guarantor (if applicable)] and the offer of the Certificates is only available on the basis of the combination of these Final Terms, the Base Prospectus and any Supplement(s). Prior to acquiring an interest in the Certificates described herein, prospective investors should read and understand the information provided in the Base Prospectus and any Supplement(s). Copies of the Base Prospectus, any Supplement(s) and these Final Terms are available for inspection from the specified office of the Principal Warrant and Certificate Agent [and on the website of the Luxembourg Stock Exchange (www.bourse.lu)]⁵⁴.

⁵¹ Delete in the case of any issue of Private Placement Certificates.

⁵² Delete in the case of any issue of Private Placement Certificates.

⁵³ Where applicable, include the date of any Supplements which have been published prior to the date of the Final Terms.

⁵⁴ Delete in the case of any issue of Private Placement Certificates or amend as necessary in the case of any issue of Certificates which is non-exempt and which will not be listed on the Luxembourg Stock Exchange.

[The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Member State of the European Economic Area (the "**Relevant Member State**")) in which the offer is being made and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU]⁵⁵.

[The provisions of Annex 1 in the case of Index Linked Certificates, Annex 2 in the case of Share Linked Certificates, Annex 3 in the case of Debt Linked Certificates, Annex 4 in the case of Commodity Linked Certificates, Annex 5 in the case of Inflation Index Linked Certificates, Annex 6 in the case of Currency Linked Certificates, Annex 7 in the case of Fund Linked Certificates, Annex 8 in the case of Market Access Certificates, Annex 9 in the case of Credit Linked Certificates and Annex 10 in the case of ETI Linked Certificates apply to these Final Terms and these Final Terms shall be read together with the Terms and Conditions and such Annex(es). In the event of any inconsistency between the relevant Annex(es) and these Final Terms, these Final Terms shall prevail.]

By subscribing to, or otherwise acquiring, the Certificates, a holder of Certificates expressly acknowledges and agrees that:

- (a) the Issuer (i) is subject to the Securitisation Act 2004 and (ii) in connection with the Certificates has created a specific Compartment, which Compartment shall be identified by the number ascribed to it below and is a Compartment within the meaning of the Securitisation Act 2004 to which all assets, rights, claims and agreements relating to the Certificates will be allocated, subject as provided in these Final Terms;
- (b) the provisions with respect to the Order of Priority included in these Final Terms will apply;
- (c) (without prejudice to the rights of holders of Guaranteed Certificates under the Guarantee) all payments to be made by the Issuer in respect of the Certificates and the related Swap Agreement (if any) will be made only from and to the extent of the sums received or recovered from time to time by or on behalf of the Issuer or (following enforcement of the security over the Compartment Assets) the Trustee in respect of the Charged Assets and, following a Certificate Acceleration in respect of the Certificate, the entitlement of the Certificateholder will be limited to such Certificateholder's *pro rata* share of the proceeds of the relevant Charged Assets applied in accordance with the Order of Priority specified in the applicable Final Terms and not to the assets allocated to other compartments created by the Issuer or to any other assets of the Issuer and, in the case of Guaranteed Certificates, (and, in addition in the case of Global Certificates, sums obtained on behalf of Certificateholders by the Trustee, making a claim under the Guarantee), subject to the terms set out in these Final Terms (if applicable) and the relevant provisions of the Guarantee and each Certificateholder further acknowledges and agrees that the Trustee is not obliged to take any action to enforce the obligations of the Issuer or the Guarantor (if applicable) unless directed to do so and indemnified and/or secured to its satisfaction against any liability it may incur;
- (d) once all moneys received by the Trustee in connection with the enforcement of the Compartment Security over the Charged Assets have been applied in accordance with the Order of Priority set out herein and in the Trust Deed, it is not entitled to take any further steps against the Issuer to recover any further sums due and the right to receive any such sum shall be extinguished;
- (e) it shall have no right to attach or otherwise seize the Charged Assets or any other assets of the Issuer, including, without limitation, any assets allocated to any other compartments of the Issuer; and
- (f) no holder of Certificates shall be entitled to petition or take any other step for the liquidation, winding-up or the bankruptcy of the Issuer or any similar proceedings.

⁵⁵

Delete in the case of any issue of Private Placement Certificates.

[Include whichever of the following apply or specify as "Not applicable". Note that the numbering should remain as set out below, even if "Not applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

[When adding any other Final Terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a Supplement to the Base Prospectus under article 16 of the Prospectus Directive and article 13 of the Prospectus Act 2005.]

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

SPECIFIC PROVISIONS FOR EACH SERIES

SERIES NUMBER	NO. OF CERTIFICATES ISSUED	ISIN	COMMON CODE	ISSUE PRICE PER CERTIFICATE	[EXERCISE PRICE]	[EXERCISE DATES]	[RELEVANT JURISDICTION]	[SHARE AMOUNT/ DEBT SECURITY AMOUNT]
[•]	[•]	[•]	[•]	[insert currency]	[insert currency]	[•] / [Not applicable]	[•]	[•]
				[•]	[•]			

GENERAL PROVISIONS

1. (i) Issuer: SecurAsset S.A., a regulated securitisation undertaking within the meaning of the Securitisation Act 2004
 - (ii) [Guarantor: BNP Paribas/other (specify)/Not applicable]
- (Note that prior to the issue of any Guaranteed Certificates (other than unlisted Guaranteed Certificates which are offered in such a manner such that a prospectus is not required in accordance with Article 3(2) of Directive 2003/71/EC, or where BNP Paribas is the Guarantor), a base prospectus supplement will be required to be approved in accordance with Article 16 of the Prospectus Directive giving information about the Guarantor)*
2. (i) Series Number: [•]
 - (ii) Tranche Number: [•]
- (If fungible with an existing Series, details of that Series, including the date on which the Certificates become fungible)*
3. Specified Currency: [•]
 4. Notional Amount of Certificate: [•]
 5. Aggregate Notional Amount: *(The Aggregate Notional Amount of Certificates is equal to the number of Certificates issued multiplied by the Notional Amount of each*

Certificate)

- (i) Series: **[●]**
- (ii) Tranche: **[●]**
- 6. (i) [Issue Price per Certificate:] **[●]**
- (ii) [Net Proceeds: **[●]**(*Required only for listed issues*)]
- (iii) Use of Proceeds of Series (other than as specified in the Base Prospectus): **[Applicable/Not applicable]**

[If there is a particular identified use of proceeds in addition to or other than that specified in the Base Prospectus under the 'Use of Proceeds' section, provide details]
- 7. Calculation Amount: **[●]**
- 8. Trade Date: **[●]**
- 9. (i) Issue Date [and Interest Commencement Date]: **[●]**
- (ii) Interest Commencement Date (if different from the Issue Date): **[●]**
- 10. Redemption Date: *[specify date(s)] [or if that is not a Business Day the immediately [succeeding/preceding] Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day] [(the "**Scheduled Redemption Date**") [subject to adjustment such that the Exercise Date will always be 5 Business Days following the Final Calculation Date] (include for Fund Linked Certificates.)]*
- 11. Exercise of Certificates: **[●]**[Applicable / Not applicable]

(If Exercise of Certificates not applicable, delete the remaining sub-paragraphs of this paragraph)
 - (i) Multiple Exercise: **[Applicable / Not applicable]**
 - (ii) Exercise Date(s): *[specify date(s)] [or if that is not a Business Day the immediately [succeeding/preceding] Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day] [(the "**Scheduled Exercise Date**") [subject to adjustment such that the Exercise Date will always be 5 Business Days following the Final Calculation Date] (include for Fund Linked Certificates.)]*
 - (iii) Exercise Settlement Date(s): *[specify date(s)]*

12. Settlement Currency: The settlement currency in respect of the Certificates is *[specify]*.
13. Form of Certificates: [Clearing System Global Certificate/Registered Global Certificate]
14. Types of Certificate: The Certificates are [Index Linked Certificates][Share Linked Certificates][Commodity Linked Certificates][Inflation Linked Certificates][Currency Linked Certificates][Fund Linked Certificates] [Credit Linked Certificates] [ETI Linked Certificates][Hybrid Certificates][*other*]
15. Exchange Rate: [The applicable rate of exchange for conversion of any amount into the relevant settlement currency for the purposes of determining the Settlement Price (as defined in the relevant Annex to the Terms and Conditions) or the Cash Settlement Amount is *[insert rate of exchange and details of how and when such rate is to be ascertained]*]/[Not applicable].
16. Change of Payment Basis: [*Specify details of any provision for change of Certificates into another Payment Basis*]
17. Call Options: [Issuer Call] [Holder Put] [(further particulars specified below)]
18. Listing: [None/See "*Listing Application*" in Part B, paragraph [●] below]
19. Method of distribution: [Non-syndicated]
20. Additional Disruption Events: [As per the Conditions] / *[specify]*
21. Optional Additional Disruption Events: (a) The following Optional Additional Disruption Events apply to the Certificates:
- (Specify each of the following which applies. N.B. Optional Additional Disruption Events are applicable to certain Index Linked Certificates, Share Linked Certificates, Commodity Linked Certificates and ETI Linked Certificates. Careful consideration should be given to whether Optional Additional Disruption Events would apply for Debt Linked Certificates, Currency Linked Certificates and Fund Linked Certificates and, if so, the relevant definitions will require amendment.)
- [Increased Cost of Hedging]

[Increased Cost of Stock Borrow]

[Insolvency Filing]

(N.B. Only applicable in the case of Share Linked Certificates)

[Cancellation Event]

(N.B. Only applicable in the case of Debt Linked Certificates)

[Loss of Stock Borrow]

[[Stop-Loss Event]

[Stop-Loss Event Percentage: [●] per cent.]]

[Currency Event]

[Force Majeure Event]

[Jurisdiction Event]

[Failure to Deliver due to Illiquidity]

(N.B. Only applicable in the case of Physical Delivery Certificates. Failure to Deliver due to Illiquidity is applicable to certain Share Linked Certificates. Careful consideration should be given to whether Failure to Deliver due to Illiquidity would apply to other Physical Delivery Certificates.)

- (b) [The Maximum Stock Loan Rate in respect of [specify in relation to each relevant Share] is [●].

(N.B. Only applicable if Loss of Stock Borrow is applicable)]

[The Initial Stock Loan rate in respect of [specify in relation to each relevant Share] is [●].

(N.B. Only applicable if Increased Cost of Stock Borrow is applicable)]

- (c) [The Trade Date is [●].]

- (d) Delayed Redemption on the Occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event: [Applicable/Not applicable]

[If applicable: Principal Protected
Termination Amount:

[Applicable/Not applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

22. Fixed Rate Provisions:

[Applicable / Not applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Fixed Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear]
- (ii) Interest Period End Date(s): [●] in each year
- (iii) Specified Period: [Specify]
- (iv) Business Day Convention for Interest Period End Date(s): [Following/Modified Following/Preceding/None]
- (v) Interest Payment Date(s): [●] in each year
Business Day Convention for Interest Payment Date(s): [Following/Modified Following/Preceding/None/Not applicable]
- (vi) Fixed Interest Amount(s): [●] per Calculation Amount
- (viii) Day Count Fraction: [30/360/Actual/Actual (ICMA)] [specify other]
- (ix) Determination Date(s): [●] in each year

(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon (NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))

- (x) Other terms relating to the method of calculating interest for Fixed Rate Certificates: [None/Give details]

23. Floating Rate Provisions:

[Applicable / Not applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Interest Period(s): [●]
- (ii) Interest Period End Date(s): [●]

- Business Day Convention for Interest Period End Date(s): [Following/Modified Following/Preceding/FRN/None]
- (iii) Specified Period: [Specify]
- (iv) Interest Payment Date(s): [●]
- Business Day Convention for Interest Payment Date(s): [Following/Modified Following/Preceding/FRN/None/Not applicable]
- (If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)*
- (v) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/AFB Determination/specify other]
- (vi) Party responsible for calculating the Rate of Interest and Interest Amount: [●] [Calculation Agent]
- (vii) Screen Rate Determination:
- Reference Rate: [●]
(Either LIBOR, EURIBOR or other, although additional information is required if other)
 - Interest Determination Date(s): [●]
(Second London business day prior to the start of each Interest Period if LIBOR and second TARGET2 day prior to the start of each Interest Period if EURIBOR)
 - Specified Time: [●] *(which will be 11:00 am, London time, in the case of LIBOR, or 11:00 am, Brussels time, in the case of EURIBOR)*
 - Relevant Screen Page: [●]
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
- (viii) ISDA Determination:
- Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]

- (ix) Margin(s): **[+/-][●] per cent. per annum**
- (x) Minimum Interest Rate: **[Applicable / Not applicable]**
[●] per cent. per annum
- (xi) Maximum Interest Rate: **[Applicable / Not applicable]**
[●] per cent. per annum
- (xii) Day Count Fraction **[30/360/Actual/Actual (ICMA)] [specify other]**
- (xiii) Fall back provisions, day count fraction, Reference Banks, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Certificates, if different from those set out in the Conditions: **[Condition [●] (AFB Determination) applies/specify other]**
- (xiv) Rate Multiplier **[Applicable / Not applicable]**
– Rate Multiplier: **[●]**
[Please specify the Rate Multiplier by which the Interest Rate shall be multiplied, subject to the Minimum Interest Rate and Maximum Interest Rate if those terms are specified as being applicable at (ix) and (x) respectively above.]
– Interest Period(s): **[Specify Interest Period(s) in respect of which the Rate Multiplier is applicable]**
- 24. Payment of Premium Amount(s):** **[Applicable / Not applicable]**
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Premium Amount(s): **[specify]**
- (ii) Linked Premium Amount Certificates: **[Applicable – see [Index/Share/Debt/Commodity/Inflation/Currency/Fund/ETI] Linked Premium Amount Provisions below / Not applicable]**
- (iii) Premium Amount Payment Date(s): **[specify]**
- 25. Dual Currency Interest Provisions:** **[Applicable / Not applicable]**
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Exchange rate/method of calculating exchange rate: **[give details]**
- (ii) Calculation Agent, if any, responsible for calculating the interest payable: **[Principal Warrant and Certificate Agent]/[Dealer]/[Other] [Address]**

- (iii) Provisions applicable where calculation by reference to exchange rate impossible or impracticable: **[●]**
- (iv) Person at whose option Specified Currency(ies) is/are payable: **[●]**
26. Index Linked [Interest/Premium Amount] Provisions: **[Applicable / Not applicable]**
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) [Custom] Index/[Custom] Indices: **[●]**
[Composite / non Composite]
[Bloomberg Code: [●]/[specify other]]
- (ii) Index Currency: **[Specify / Not applicable]**
- (iii) [Custom] Index Sponsor(s): **[●]**
- (iv) Custom Index: **[Applicable / Not applicable]**
- (v) Screen Page: **[Specify]**
- (vi) Formula: **[Specify]**
- (vii) Settlement Price: The Settlement Price will be calculated **[insert calculation method]**
- (viii) Disrupted Day: If an [Interest/Premium Amount] Valuation Date, Observation Date or Averaging Date is a Disrupted Day, the Settlement Price will be calculated **[insert calculation method]**
- (ix) Calculation Agent responsible for calculating the interest due: **[●]**
- (x) Provisions for determining interest where calculation by reference to Formula is impossible or impracticable: **[●]**
- (xi) Interest Period(s): **[●]**
- (xii) Interest Period End Date(s): **[●]**
 Business Day Convention for Interest Period End Date(s) **[Following/Modified Following/Preceding/FRN/None]**
- (xiii) Interest Payment Date(s): **[●]**
 Business Day Convention for Interest Payment Date(s): **[Following/Modified Following/Preceding/FRN/None/Not applicable]**
(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest

Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)

(xiv)	Day Count Fraction:	[●]
(xv)	Averaging:	Averaging [applies/does not apply] to the Certificates. [The Averaging Dates are [●].] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement]⁵⁶ / [Condition 8(B) of the Index Linked Conditions]⁵⁷ will apply.] [Modified Postponement] <i>(only applicable if Modified Postponement is applicable as an Averaging election).</i>
(xvi)	Strike Date:	[●]
(xvii)	Strike Price:	[The Strike Price will be calculated as per the Conditions]/[insert calculation method] <i>(N.B. Strike Price is only applicable in the case of a Custom Index)</i>
(xviii)	[Interest]/[Premium Valuation Date(s):	Amount] [Specify]
(xix)	Observation Date(s):	[●]/Not applicable] [In the event that an Observation Date is a Disrupted Day/[Omission/Postponement/Modified Postponement]⁵⁸ / [Condition 8(B) of the Index Linked Conditions]⁵⁹ will apply.]
(xx)	Observation Period:	[Specify/Not applicable]
(xxi)	Exchange Business Day:	[(All Indices Basis)/(Per Index Basis)/(Single Index Basis)] / [Not applicable]
(xxii)	Scheduled Trading Day:	[(All Indices Basis)/(Per Index Basis)/(Single Index Basis)] / [Not applicable] <i>(must match election made for Exchange Business Day)</i>
(xxiii)	Custom Index Business Day:	[(All Custom Indices Basis)/(Per Custom Index Basis)/(Single Custom Index Basis)] / [Not applicable]
(xxiv)	Scheduled Custom Index Business	[(All Custom Indices Basis)/(Per Custom Index

⁵⁶ Delete if Custom Index is Applicable

⁵⁷ Delete if Custom Index is Not applicable

⁵⁸ Delete if Custom Index is Applicable

⁵⁹ Delete if Custom Index is Not applicable

	Day:	Basis)/(Single Custom Index Basis)] / [Not applicable] <i>(must match election made for Custom Index Business Day)</i>
(xxv)	Exchange(s):	The relevant Exchange[s] [is/are] [●] / [Not applicable]
(xxvi)	Related Exchange:	[Specify/[All Exchanges]/[Not applicable]]
(xxvii)	Weighting:	[Not applicable/The weighting to be applied to each item comprising the Basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment [in accordance with the Index Linked Conditions]/[specify other]. <i>(N.B. Only applicable in relation to Cash Settled Certificates relating to a Basket)</i>
(xxviii)	Valuation Time:	[As per the Conditions/Scheduled Closing Time/Any time [on the Valuation Date/during the Observation Period.] [[●], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.] <i>(N.B. if no time is specified, the Valuation Time will be [the Scheduled Closing Time]⁶⁰/[as per the Conditions]⁶¹)</i>
(xxix)	[Custom] Index Correction Period:	[As per Conditions/specify]
(xxx)	Market Disruption:	[Specified Maximum Days of Disruption will be equal to [●]/[eight]] / [Not applicable]: (if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight) <i>(N.B. Not applicable in the case of Custom Indices)</i>
(xxxii)	Custom Index Disruption Event:	[Specified Maximum Days of Disruption will be equal to [●]/[twenty]] / [Not applicable]: (if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to twenty) <i>(N.B. Only applicable in the case of Custom Indices)</i>
(xxxii)	Delayed Redemption on Occurrence of [Custom] Index Adjustment	[Applicable with a rate of [●] per cent. per annum/Not applicable]

⁶⁰ Where Custom Index is Not applicable

⁶¹ Where Custom Index is Applicable

Event:

27. Share Linked Provisions	[Interest/Premium Amount]	[Applicable/Not applicable] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Share(s):	[●]
(ii)	Relative Performance Basket:	[●] / [Applicable / Not applicable]
(iii)	GDR/ADR:	[Applicable / Not applicable] <i>(Where GDR/ADR is specified as Applicable, Share Linked Conditions 8 - 12 shall apply to the Certificates and the modifications set out in Share Linked Condition 9 shall apply to these Final Terms mutatis mutandis)</i>
(iv)	ISIN of Share(s):	[Specify]
(v)	Screen Page/Exchange Code:	[Specify]
(vi)	Formula:	[●] <i>[N.B If Formula includes an initial closing price use term "Initial Price" for relevant definition]</i>
(vii)	Settlement Price:	The Settlement Price will be calculated [insert Calculation Method]/[As set out in the Conditions] [Exchange Rate: []]
(viii)	[Disrupted] Day:	If an Interest Valuation Date, Observation Date or Averaging Date is a Disrupted Day, the Settlement Price will be calculated [insert calculation method]
(ix)	Calculation Agent responsible for calculating the interest due:	[●]
(x)	Provisions for determining coupon where calculation by reference to Formula is impossible or impracticable:	[●]
(xi)	Interest Period(s):	[●]
(xii)	Interest Period End Date(s):	[●]
	Business Day Convention for Interest Period End Date(s):	[Following/Modified Following/Preceding/FRN/None]
(xiii)	Interest Payment Date(s):	[●]
	Business Day Convention for Interest Payment Date(s):	[Following/Modified Following/Preceding/FRN/None/Not applicable]

(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)

(xiv)	Day Count Fraction:	[●]
(xv)	Averaging:	Averaging [applies/does not apply] to the Certificates. [The Averaging Dates are [●].] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.] [Modified Postponement] <i>(only applicable if Modified Postponement is applicable as an Averaging election).</i>
(xvi)	Strike Date:	[●]
(xvii)	Strike Price:	[●]/[As per Conditions]
(xviii)	[Interest]/[Premium Valuation Date(s):	Amount] [Specify]
(xix)	Observation Date(s):	[The Observation Date(s) is/are [●]/Not applicable].] [In the event that an Observation Date is a Disrupted Day/[Omission/Postponement/Modified Postponement] will apply.]
(xx)	Observation Period:	[Specify/Not applicable]
(xxi)	Exchange Business Day:	[(All Shares Basis)/(Per Share Basis)(Single Share Basis)]
(xxii)	Scheduled Trading Day:	[(All Shares Basis)/(Per Share Basis)(Single Share Basis)] <i>(must match election made for Exchange Business Day)</i>
(xxiii)	Exchange(s):	The relevant Exchange[s] [is/are] [●].
(xxiv)	Related Exchange(s):	[Specify/All Exchanges]
(xxv)	Weighting:	[Not applicable/The weighting to be applied to each item comprising the basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in the case of Share Linked Certificates]/[specify other]. <i>(N.B. Only applicable in relation to Cash Settled Certificates relating to a basket)</i>

(xxvi)	Valuation Time:	[Scheduled Closing Time/Any time [on the Valuation Date/during the Observation Period.] [The Valuation Time is [●], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.] (N.B. if no time is specified, the Valuation Time will be the Scheduled Closing Time).
(xxvii)	Share Correction Period:	[As per Conditions/Specify]
(xxviii)	Market Disruption:	Specified Maximum Days of Disruption will be equal to [●]/[eight]: (if no Specific Maximum Days of Disruption is stated, Specified Maximum Days of Disruption will be equal to eight)
(xxix)	Tender Offer:	[Applicable/Not applicable]
(xxx)	Listing Change:	[Applicable/Not applicable]
(xxxi)	Listing Suspension:	[Applicable/Not applicable]
(xxxii)	Illiquidity:	[Applicable/Not applicable]
(xxxiii)	Delayed Redemption on Occurrence of Extraordinary Event:	[Applicable with a rate of [●] per cent. per annum/Not applicable]
28. Commodity Linked [Interest/Premium Amount] Provisions:		[Applicable/Not applicable] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Commodity/Commodities/Commodity Index/Commodity Indices:	[●] [The Sponsor[s] of the Commodity Index/Indices] [is/are [●]]
(ii)	Interest Pricing Date(s):	[●]
(iii)	Initial Interest Pricing Date:	[●]
(iv)	Final Interest Pricing Date:	[●]
(v)	Formula:	[●]
(vi)	Delivery Date:	[●] / [Not applicable]
(vii)	Specified Price:	[specify]
(viii)	Calculation Agent responsible for calculating the interest due:	[●]
(ix)	Provisions for determining coupon where calculation by reference to Formula is impossible or	[●]

impracticable:

(x)	Interest Period(s):	[●]
(xi)	Interest Period End Date(s):	[●]
	Business Day Convention for Interest Period End Date(s):	[Following/Modified Following/Preceding/FRN/None]
(xii)	Interest Payment Date(s):	[●]
	Business Day Convention for Interest Payment Date(s):	[Following/Modified Following/Preceding/FRN/None/Not applicable]
		<i>(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)</i>
(xiii)	Interest Valuation Time:	[●]
(xiv)	Day Count Fraction:	[●]
(xv)	Commodity Reference Price:	[●]
(xvi)	Nearby Month:	[●] / [Not applicable]
(xvii)	Exchange(s):	The relevant Exchange[s] [is/are] [●] / [Not applicable].
(xviii)	Specified Maximum Days of Disruption:	[●]/[two] (if no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to two) <i>(applicable only to Price Source Disruption, Trading Disruption or Index Component Disruption Event)</i>
(xix)	Disruption Fallback(s):	[As per Commodity Linked Condition 7]/[Not applicable]
(xx)	Delayed Redemption on Occurrence of Market Disruption Event:	[Applicable with a rate of [●] per cent. per annum/Not applicable]
(xxi)	Weighting:	[The weighting to be applied to each item comprising the Commodity Basket is [●]
29.	Inflation Linked [Interest/Premium Amount] Provisions:	[Applicable / Not applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Index/Index Sponsor:	[●] [Composite/non Composite]
(ii)	Screen Page/Exchange Code:	[●]

(iii)	Formula:	[●]
(iv)	Calculation Agent responsible for calculating the interest due:	[●]
(v)	Provisions for determining coupon where calculation by reference to Formula is impossible or impracticable:	[●]
(vi)	Interest Period(s):	[●]
(vii)	Interest Period End Date(s):	[●]
	Business Day Convention for Interest Period End Date(s):	[Following/Modified Following/Preceding/FRN/None]
(viii)	Interest Payment Date(s):	[●]
	Business Day Convention for Interest Payment Date(s):	[Following/Modified Following/Preceding/FRN/None/Not applicable]
	<i>(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)</i>	
(ix)	Day Count Fraction:	[●]
(x)	Cut-Off Date:	[●]/[Not applicable]
(xi)	Related Bond:	[●]/Fallback Bond
(xii)	Issuer of Related Bond:	[●]/[Not applicable]
(xiii)	Fallback Bond:	[Applicable / Not applicable]
(xv)	Related Bond Redemption Event:	[Applicable / Not applicable]
(xvi)	[Interest]/[Premium Amount] Valuation Date:	[●]
(xvii)	Substitute Index Level:	[As determined in accordance with the Conditions] / [specify]
(xviii)	Other Provisions:	[●]
- 30. Currency Linked** [Interest/Premium Amount] Provisions: [Applicable / Not applicable]
- (if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- | | | |
|------|--|-----|
| (i) | The relevant base currency (the "Base Currency") is: | [●] |
| (ii) | The relevant subject | [●] |

[currency/currencies] [each a]/[the]
"Subject Currency") [is/are]:

- (iii) Weighting: ☐
- (iv) Formula/Exchange rates: ☐
- (v) Price Source: ☐
- (vi) Specified Maximum Days of Disruption: ☐ *(If no specified Maximum Days of Disruption are stated, specified Maximum Days of Disruption will be equal to five)*
- (vii) Calculation Agent responsible for calculating the interest due: ☐
- (viii) Provisions for determining coupon where calculation by reference to Formula is impossible or impracticable: ☐
- (ix) Interest Period(s): ☐
- (x) Interest Period End Date(s): ☐
Business Day Convention for Interest Period End Date(s): ☐ [Following/Modified Following/Preceding/FRN/None]
- (xi) Interest Payment Date(s): ☐
Business Day Convention for Interest Payment Date(s): ☐ [Following/Modified Following/Preceding/FRN/None/Not applicable]
(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)
- (xii) Day Count Fraction: ☐
- (xiii) [Interest]/[Premium Amount] Valuation Date: ☐
- (xiv) Other Provisions: ☐
- 31. Fund Linked Provisions [Interest/Premium Amount] ☐ [Applicable / Non applicable]
(if not applicable, delete the remaining sub-paragraphs of this paragraph)
 - (i) Fund/Fund Basket: ☐

[The ☐ Fund is a Mutual Fund]
[The ☐ Fund is a Hedge Fund]
[The ☐ Fund is a Private Equity Fund]
 - (ii) Fund Shares: ☐

(iii)	Fund Documents:	[●]
(iv)	Fund Business Day:	[●]
(v)	Fund Service Provider:	[●]
(vi)	Calculation Date(s):	[●]
(vii)	Initial Calculation Date:	[●]
(viii)	Final Calculation Date:	[●]
(ix)	Hedging Date:	[●]
(x)	AUM Level:	[●]
(xi)	NAV Trigger Percentage:	[●]
(xii)	NAV Trigger Period:	[●]
(xiii)	Number of NAV Publication Days:	[●]
(xiv)	Basket Trigger Level:	[●]
(xv)	Additional Extraordinary Fund Event(s):	(Specify)
(xvi)	Consequences of an Extraordinary Fund Event:	[●]
(xvii)	Termination Amount:	[Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount] [Specify]/[Not Applicable]
(xviii)	Simple Interest Spread:	[+● / - ● bps]
(xix)	Formula for calculation of Fund Linked Interest:	[●]
(xx)	Calculation Agent responsible for calculating the interest due:	[●]
(xxi)	Provisions for determining coupon where calculation by reference to Formula is impossible or impracticable:	[●]
(xxii)	Interest Valuation Date:	[●]
(xxiii)	Interest Period(s):	[●]
(xxiv)	Interest Period End Date(s):	[●]
(xxv)	Business Day Convention for Interest Period End Date(s):	[Following/Modified Following/Preceding/FRN/None]
(xxvi)	Interest Payment Date(s):	[●]
(xxvii)	Business Day Convention for Interest	[Following/Modified

	Payment Date(s):	Following/Preceding/FRN/None/Not applicable]
		<i>(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)</i>
(xxviii)	Day Count Fraction:	[●]
(xxix)	Delayed Redemption on the Occurrence of an Extraordinary Fund Event:	[Applicable/Not applicable]
(xxx)	Other Provisions:	[●]
32.	ETI Linked [Interest/Premium Amount] Provisions	[Applicable / Not applicable]
		<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	ETI/ETI Basket:	<i>[specify]</i>
(ii)	ETI Interest(s):	<i>[insert type of ETI Interest(s)]</i>
(iii)	Exchanges(s):	<i>[specify]/[Not applicable]</i>
(iv)	Related Exchange(s):	<i>[specify]/[All Exchanges]/[Not applicable]</i>
(v)	ETI Documents:	[As per Conditions]/ <i>[specify]</i>
(vi)	Exchange Business Day:	[(Single ETI Interest Basis)/(All ETI Interests Basis)/(Per ETI Interest Basis)]
(vii)	Scheduled Trading Day:	[(Single ETI Interest Basis)/(All ETI Interests Basis)/(Per ETI Interest Basis)]
(viii)	ETI Related Party(ies):	[As per the Conditions / <i>[specify]</i>]
(ix)	Trade Date:	[●]
(x)	Calculation Date(s):	[●]
(xi)	Initial Calculation Date:	[●]
(xii)	Final Calculation Date:	[●]
(xiii)	Hedging Date:	[●]
(xiv)	Averaging:	Averaging [applies] / [does not apply] to the Certificates. [The Averaging Dates are: [●]] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
(xv)	Protected Amount:	<i>[specify]</i>

(xvi)	ETI Interest Correction Period:	<i>[specify]</i> /[As per the Conditions]
(xvii)	Value Trigger Percentage	[●]
(xviii)	Value Trigger Period:	[●]
(xix)	Value per ETI Interest Trading Price Barrier:	[●]
(xx)	Number of Value Publication Days:	[●]
(xxi)	Basket Trigger Level:	[●]
(xxii)	Investment/AUM Level:	<i>[specify]</i> /[As per the Conditions]
(xxiii)	Maximum Stock Loan Rate:	[●]
(xxiv)	Additional Extraordinary ETI Event(s):	[●] <i>(Specify)</i>
(xxv)	Termination Amount:	<i>[Specify]</i> /[Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount] [Not applicable]
(xxvi)	Simple Interest Spread:	[+● / - ● bps]
(xxvii)	Weighting:	[The Weighting to be applied to each ETI Interest in the ETI Basket is <i>[specify]</i>] [not applicable]
(xxviii)	Formula for calculation of ETI Linked Interest:	[●]
(xxix)	Calculation Agent responsible for calculating the interest due:	[●]
(xxx)	Provisions for determining coupon where calculation by reference to Formula is impossible or impracticable:	[●]
(xxxi)	Interest Valuation Date:	[●]
(xxxii)	Interest Valuation Time:	[●]
(xxxiii)	Interest Period(s):	[●]
(xxxiv)	Interest Period End Date(s):	[●]
(xxxv)	Business Day Convention for Interest Period End Date(s):	[Following/Modified Following/Preceding/FRN/None]
(xxxvi)	Interest Payment Date(s):	[●]
(xxxvii)	Business Day Convention for Interest Payment Date(s):	[Following/Modified Following/Preceding/FRN/None/Not applicable]
<i>(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest</i>		

Payment Date(s) are expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)

(xxxviii) Day Count Fraction: [●]

(xxxix) Specified Maximum Days of Disruption: [●]/[eight]

(N.B. Unless specified otherwise in these Final Terms, the Specified Maximum Days of Disruption shall be equal to eight Scheduled Trading Days)

(xl) Delayed Redemption on the Occurrence of an Extraordinary ETI Event: [Applicable/Not applicable]

(xli) Delayed Payment Cut-Off Date: [Specify]

(xlii) Other Provisions: [●]

PROVISIONS RELATING TO REDEMPTION

33. Issuer Call Option: [Applicable / Not applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Optional Redemption Valuation Date(s): [●]

(ii) Optional Redemption Date(s): [●]

(iii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [●] per Calculation Amount

(iv) If redeemable in part:

(a) Minimum Redemption Amount: [●]

[●]

(b) Maximum Redemption Amount:

(v) Notice period (if other than as set out in the Conditions): [●]

34. Certificateholder Put Option: [Applicable / Not applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Optional Redemption Valuation Date: [●]

(ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [●] per Calculation Amount

(iii) Notice period (if other than as set out in [●])

the Conditions):

- 35. Cash Settlement Amount:** [[●] per Calculation Amount/see below] The [Index/Share/Commodity/Inflation/Currency/Fund /Credit/ETI] Linked Redemption Amount specified below [Physical Settlement: [Applicable/Not applicable]]
- 36. Index Linked Redemption Amount:** [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (i) [Custom] Index/[Custom] Indices/Basket of [Custom] Indices: [●]
[Composite/non Composite]
[Bloomberg Code: [●]/[specify other]]
 - (ii) [Custom] Index Sponsor(s): [Specify]
 - (iii) Custom Index: [Applicable / Not applicable]
 - (iv) Index Currency: [Specify / Not applicable]
 - (v) Screen Page: [Specify]
 - (vi) Formula: [●]
 - (vii) Settlement Price: The Settlement Price will be calculated [insert calculation method] / [As set out in the Conditions]
 - (viii) Disrupted Day: If the Redemption Valuation Date or Observation Date or an Averaging Date is a Disrupted Day, the Settlement Price will be calculated [insert calculation method] / [in accordance with Index Linked Condition 8(B)]⁶².
 - (ix) Calculation Agent responsible for calculating the redemption amount due: [●]
 - (x) Provisions for determining redemption amount where calculation by reference to Formula is impossible or impracticable: [●]
 - (xi) Strike Date: [●]
 - (xii) Strike Price: [As per Conditions] / [(insert calculation method)]
(N.B. Strike Price is only applicable in the case of Custom Indices)
 - (xiii) Averaging: Averaging [applies/does not apply] to the Certificates. [The Averaging Dates are [●].]

⁶² In the case of Custom Indices only

[In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement]⁶³ / [Index Linked Condition 8(B)]⁶⁴ will apply.]

(Modified Postponement is only applicable if Modified Postponement is applicable as an Averaging election and in any event where Custom Index is not applicable).

- (xiv) Redemption Valuation Date: [Specify]
- (xv) Observation Date(s): [The Observation Date(s) is/are [●]/Not applicable].]
- [In the event that an Observation Date is a Disrupted Date/[Omission/Postponement/Modified Postponement]⁶⁵ / [Index Linked Condition 8(B)]⁶⁶ will apply.]
- (xvi) Observation Period: [Specify/Not applicable]]
- (xvii) Exchange Business Day: [(All Indices Basis)/(Per Index Basis)/(Single Index Basis)] / [Not applicable]
- (xviii) Scheduled Trading Day: [(All Indices Basis)/(Per Index Basis)/(Single Index Basis)] / [Not applicable]
- (must match election made for Exchange Business Day)*
- (xix) Custom Index Business Day: [(All Custom Indices Basis)/(Per Custom Index Basis)/(Single Custom Index Basis)] / [Not applicable]
- (xx) Scheduled Custom Index Business Day: [(All Custom Indices Basis)/(Per Custom Index Basis)/(Single Custom Index Basis)] / [Not applicable]
- (must match election made for Custom Index Business Day)*
- (xxi) Exchange(s): The relevant Exchange[s] [is/are] [●] / [Not applicable]
- (xxii) Related Exchange: [Specify/All Exchanges/Not applicable]
- (xxiii) Weighting: [Not applicable/The Weighting to be applied to each item comprising the basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment [in accordance with the Index Linked Conditions]/[specify other].

⁶³ Where Custom Index is Not applicable

⁶⁴ Where Custom Index is Applicable

⁶⁵ Where Custom Index is Not applicable

⁶⁶ Where Custom Index is Applicable

(N.B. Only applicable in relation to Cash Settled Certificates relating to a basket)

(xxiv) Valuation Time: [Scheduled Closing Time]/[As per the Conditions]/[Any time [on the Valuation Date /during the Observation Period.] [[●], being the time specified on the Valuation Date or an Averaging Date or Observation Date, as the case may be, for the calculation of the Settlement Price.]

(N.B. if no time specified, the Valuation Time will be the Scheduled Closing Time).

(xxv) [Custom] Index Correction Period: [As per Conditions/[specify]]

(xxvi) Market Disruption: [Specified Maximum Days of Disruption will be equal to [●]/[eight]] / [Not applicable]

(if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)

(N.B. Not applicable in the case of Custom Indices)

(xxvii) Custom Index Disruption Event: [Specified Maximum Days of Disruption will be equal to [●]/[twenty]] / [Not applicable]:

(if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to twenty)

(N.B. Only applicable in the case of Custom Indices)

(xxviii) Knock-in Event: [Not applicable / specify ["greater than"/"greater than or equal to"/"less than"/"less than or equal to"/"within" Knock-in Level]]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(a) Knock-in Level/Knock-in Range Level: [specify]

(b) Knock-in Determination Day(s): [specify / Each [Scheduled Trading Day/Scheduled Custom Index Business Day] in the Knock-in Determination Period]

(c) Knock-in Period Beginning Date: [Not applicable / specify]

(d) Knock-in Period Beginning Date Scheduled Trading Day Convention [Applicable / Not applicable] (not

applicable in the case of Custom Indices):

- (e) Knock-in Period [Applicable / Not applicable]
Beginning Date
Scheduled Custom Index
Business Day
Convention (*in the case of Custom Indices only*):
 - (f) Knock-in Period Ending [Not applicable / specify]
Date:
 - (g) Knock-in Period Ending [Applicable / Not applicable]
Date Scheduled Trading
Day Convention (*not applicable in the case of Custom Indices*):
 - (h) Knock-in Period Ending [Applicable / Not applicable]
Date Scheduled Custom
Index Business Day
Convention (*in the case of Custom Indices only*):
 - (i) Knock-in Valuation [Scheduled Closing Time]/[Any time on a Knock-
Time: in Determination Day.]
- (xxix) Knock-out Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Level]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Knock-out Level: [specify]
 - (b) Knock-out [specify / Each [Scheduled Trading Day/
Determination Day(s): Scheduled Custom Index Business Day] in the
Knock-out Determination Period]
 - (c) Knock-out Period [Not applicable / specify]
Beginning Date:
 - (d) Knock-out Period [Applicable / Not applicable]
Beginning Date
Scheduled Trading Day
Convention (*not applicable in the case of Custom Indices*):
 - (e) Knock-out Period [Applicable / Not applicable]
Beginning Date
Scheduled Custom Index
Business Day
Convention (*in the case*

of Custom Indices only):

(f)	Knock-out Ending Date:	Period	[Not applicable / specify]
(g)	Knock-out Ending Date Scheduled Trading Day Convention <i>(not applicable in the case of Custom Indices):</i>	Period	[Applicable / Not applicable]
(h)	Knock-out Ending Date Scheduled Custom Index Business Day Convention <i>(in the case of Custom Indices only):</i>	Period	[Applicable / Not applicable]
(i)	Knock-out Time:	Valuation	[Scheduled Closing Time]/[Any time on a Knock-out Determination Day.]
- (xxx) Automatic Early Redemption Event: [specify / See definition in Index Linked Condition 5 or, in the case of Custom Indices, Index Linked Condition 11.]
- | | | | |
|-----|-------------------------------------|--------------------|---|
| (a) | Automatic
Redemption Amount: | Early | [specify] |
| (b) | Automatic
Redemption Date(s): | Early | [specify] [or if that is not a Business Day the immediately [succeeding/preceding] Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day.] |
| (c) | Automatic
Redemption Level: | Early | [specify] |
| (d) | Automatic
Redemption Rate: | Early | [specify] |
| (e) | Automatic
Redemption
Date(s): | Early
Valuation | [specify] |
- (xxxi) Delayed Redemption on Occurrence of Index Adjustment Event: [Applicable with a rate of [●] per cent. per annum/Not applicable]
- 37. Share Linked Redemption Amount:** [Applicable/Not applicable]
- (if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- | | | |
|------|--|--|
| (i) | Share(s)/Share Company/Basket Company: | [Insert type of Share(s) and Share Company/Basket Companies] |
| (ii) | GDR/ADR: | [Applicable / Not applicable] |
- (Where GDR/ADR is specified as applicable,*

Share Linked Conditions 8 - 12 shall apply to the Certificates and the modifications set out in Share Linked Condition 9 shall apply to these Final Terms mutatis mutandis)

(iii)	Relative Performance Basket:	[Not applicable/Specify]
(iv)	ISIN of Share(s):	[Specify]
(v)	Screen Page/Exchange Code:	[Specify]
(vi)	Share Currency/Currencies:	[Specify]
(vii)	Formula:	[●][<i>N.B If Formula includes initial closing price use term "Initial Price" for relevant definition</i>]
(viii)	Settlement Price:	The Settlement Price will be calculated [insert calculation method] / [As set out in the Conditions] [Exchange Rate: []]
(ix)	Disrupted Day:	If the Redemption Valuation Date, an Observation Date or an Averaging Date, as the case may be, is a Disrupted Day, the Settlement Price will be calculated [<i>insert calculation method</i>].
(x)	Calculation Agent responsible for calculating the redemption amount due:	[●]
(xi)	Provisions for determining redemption amount where calculation by reference to Formula is impossible or impracticable:	[●]
(xii)	Strike Date:	[●]
(xiii)	Strike Price:	[●]/[As per Conditions]
(xiv)	Averaging	Averaging [applies/does not apply] to the Certificates. [The Averaging Dates are [●].] [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.] [Modified Postponement] <i>(only applicable if Modified Postponement is applicable as an Averaging election).</i>
(xv)	Redemption Valuation Date:	[Specify]
(xvi)	Observation Date(s):	[The Observation Date(s) is/are [●]/Not applicable].] [In the event that an Observation Date is a Disrupted Date/[Omission/Postponement/Modified

	Postponement] will apply.]
(xvii) Observation Period:	[Specify] [Not applicable]
(xviii) Exchange Business Day:	[(All Shares Basis)/(Per Share Basis)(Single Share Basis)]
(xix) Scheduled Trading Day:	[(All Shares Basis)/(Per Share Basis)(Single Share Basis)]
	<i>(must match election made for Exchange Business Day)</i>
(xx) Exchange(s):	The relevant Exchange[s] [is/are] [●].
(xxi) Related Exchange(s):	[Specify/All Exchanges]
(xxii) Weighting:	[Not applicable/The Weighting to be applied to each item comprising the basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in the case of Share Linked Certificates]/[specify other]. <i>(N.B. Only applicable in relation to Cash Settled Certificates relating to a basket)</i>
(xxiii) Valuation Time:	[Scheduled Closing Time/Any time [on the Valuation Date /during the Observation Period.] [The Valuation Time is [●], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.] <i>(N.B. if no time specified, the Valuation Time will be the Scheduled Closing Time)</i>
(xxiv) Share Correction Period:	[As per Conditions/Specify]
(xxv) Market Disruption:	Specified Maximum Days of Disruption will be equal to [●]/[eight]: (if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)
(xxvi) Tender Offer:	[Applicable/Not applicable]
(xxvii) Listing Change:	[Applicable/Not applicable]
(xxviii) Listing Suspension:	[Applicable/Not applicable]
(xxix) Illiquidity:	[Applicable/Not applicable]
(xxx) Delayed Redemption on Occurrence of Extraordinary Event:	[Applicable with a rate of [●] per cent. per annum/Not applicable]
(xxxi) Knock-in Event:	[Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Price]]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Knock-in Price: [specify]
 - (b) Knock-in Range Price: [specify]
 - (c) Knock-in Determination Day(s): [specify / Each Scheduled Trading Day in the Knock-in Determination Period]
 - (d) Knock-in Period Beginning Date: [Not applicable / specify]
 - (e) Knock-in Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
 - (f) Knock-in Period Ending Date: [Not applicable / specify]
 - (g) Knock-in Period Ending Date Scheduled Trading Day Convention: [Applicable / Not applicable]
 - (h) Knock-in Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-in Determination Day.]
- (xxxii) Knock-out Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Price]]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Knock-out Price: [specify]
- (b) Knock-out Determination Day(s): [specify / Each Scheduled Trading Day in the Knock-out Determination Period]
- (c) Knock-out Period Beginning Date: [Not applicable / specify]
- (d) Knock-out Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (e) Knock-out Period Ending Date: [Not applicable / specify]
- (f) Knock-out Period Ending Date Scheduled Trading Day Convention: [Applicable / Not applicable]

	(g)	Knock-out Time:	Valuation	[Scheduled Closing Time]/[Any time on a Knock-out Determination Day.]
(xxxiii)	Automatic Early Redemption Event:			[Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to"] Automatic Early Redemption Price] <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(a)	Automatic Early Redemption Amount:		[specify / See definition in Condition 5 of the Share Linked Conditions]
	(b)	Automatic Early Redemption Date(s):		[specify] [or if that is not a Business Day the immediately [succeeding/preceding] Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day.]
	(c)	Automatic Early Redemption Price:		[specify]
	(d)	Automatic Early Redemption Rate:		[specify]
	(e)	Automatic Early Redemption Valuation Date(s):		[specify]
38.	Commodity Linked Redemption Amount:			[Applicable/Not applicable] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i)	Formula:		[●]
	(ii)	Commodity/Commodities Index/Commodity Indices:	/Commodity	[●] [The Sponsor(s) of the Commodity Index/Indices is/are [●]]
	(iii)	Pricing Date(s):		[●]
	(iv)	Final Pricing Date:		[●]
	(v)	Initial Pricing Date:		[●]
	(vi)	Calculation Agent responsible for calculating the redemption amount due:		[●]
	(vii)	Provisions for determining redemption amount where calculation by reference to Formula is impossible or impracticable:		[●]
	(viii)	Commodity Reference Price:		[●]
	(ix)	Delivery Date:		[●] / [Not applicable]
	(x)	Nearby Month:		[●] / [Not applicable]

- (xi) Specified Price: [specify]
- (xii) Exchange(s): The relevant Exchange[s] [is/are] [●] / [Not applicable]
- (xiii) Specified Maximum Days of Disruption: [●]/[two]
(if no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to two) (*applicable only to Price Source Disruption or Trading Disruption*)
- (xiv) Disruption Fallback(s): [As per Commodity Linked Condition 7]/Not applicable]
- (xv) Delayed Redemption on Occurrence of Market Disruption Event: [Applicable with a rate of [●] per cent. per annum/Not applicable]
- (xvi) Knock-in Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Level]]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Knock-in Level: [specify]
- (b) Knock-in Determination Day(s): [specify / Each Commodity Business Day in the Knock-in Determination Period]
- (c) Knock-in Period Beginning Date: [Not applicable / specify]
- (d) Knock-in Period Beginning Date Commodity Business Day Convention: [Applicable / Not applicable]
- (e) Knock-in Period Ending Date: [Not applicable / specify]
- (f) Knock-in Period Ending Date Commodity Business Day Convention: [Applicable / Not applicable]
- (g) Knock-in Valuation Time: [specify]/[See definition in Annex 4]/[Valuation Time]
- (xvii) Knock-out Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Level]]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Knock-out Level: [specify]
- (b) Knock-out Determination Day(s): [specify / Each Commodity Business Day in the Knock-out Determination Period]
- (c) Knock-out Period Beginning [Not applicable / specify]

Date:

- (d) Knock-out Period Beginning Date Commodity Business Day Convention: [Applicable / Not applicable]
- (e) Knock-out Period Ending Date: [Not applicable / specify]
- (f) Knock-out Period Ending Date Commodity Business Day Convention: [Applicable / Not applicable]
- (g) Knock-out Valuation Time: [*specify*]/[See definition in Annex 4]/[Valuation Time]
- (xviii) Automatic Early Redemption Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to"] Automatic Early Redemption Price]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)
 - (a) Automatic Early Redemption Amount: [specify / See definition in Condition 5 of the Share Linked Conditions]
 - (b) Automatic Early Redemption Date(s): [specify] [or if that is not a Business Day the immediately [succeeding/preceding] Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day.]
 - (c) Automatic Early Redemption Price: [specify]
 - (d) Automatic Early Redemption Rate: [specify]
 - (e) Automatic Early Redemption Valuation Date(s): [specify]
- (xix) Weighting: [●]

39. Inflation Linked Redemption Amount: [Applicable/Not applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Index/Indices: [●]
[Composite/non Composite]
- (ii) Formula: [●]
- (iii) Calculation Agent responsible for calculating the redemption amount due: [●]
- (iv) Provisions for determining redemption amount where calculation by reference to [●]

Formula is impossible or impracticable:

- (v) Cut-Off Date: [●]/[Not applicable]
- (vi) Related Bond: [●]/Fallback Bond
- (vii) Issuer of Related Bond: [●]/[Not applicable]
- (viii) Fallback Bond: [Applicable/Not applicable]
- (ix) Index Sponsor: [●]
- (x) Related Bond Redemption Event: [Applicable/Not applicable]
- (xi) Index Sponsor: [●]
- (xii) Substitute Index Level: [As determined in accordance with Inflation Linked Condition 1] / [specify]
- (xiii) Determination Date: [●]

40. Currency Linked Redemption Amount: [Applicable/Not applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Formula: [specify]
- (ii) Calculation Agent responsible for calculating the redemption amount due: [specify / Not applicable]
- (iii) Provisions for determining redemption amount where calculation by reference to Formula is impossible or impracticable: [specify / Not applicable]
- (iv) Relevant Screen Page: [specify]
- (v) The relevant base currency (the "**Base Currency**") is: [specify]
- (vi) The relevant subject [currency/currencies] ([the]/[each a] "**Subject Currency**") [is/are]: [specify]
- (vii) Weighting: [specify]
- (viii) Price Source: [specify]
- (ix) Specified Maximum Days of Disruption: [specify]/[five] Scheduled Trading Days
- (x) Strike Date: [specify]
- (xi) Averaging Date(s): [specify]
- (xii) Observation Dates: [specify]
- (xiii) Observation Period: [specify]
- (xiv) Settlement Price: [specify]

- (xv) Valuation Time: [specify]
- (xvi) Redemption Valuation Date: [specify]
- (xvii) Knock-in Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Price]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Knock-in Price/Knock-in Range Level: [specify]
- (b) Knock-in Determination Day(s): [specify / Each Scheduled Trading Day in the Knock-in Determination Period]
- (c) Knock-in Period Beginning Date: [Not applicable / specify]
- (d) Knock-in Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (e) Knock-in Period Ending Date: [Not applicable / specify]
- (f) Knock-in Period Ending Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (g) Knock-in Valuation Time: [specify/See definition in Annex 6]/[Valuation Time]
- (xviii) Knock-out Event: [Not applicable / specify /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Price]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Knock-out Price: [specify]
- (b) Knock-out Determination Day(s): [specify / Each Scheduled Trading Day in the Knock-out Determination Period]
- (c) Knock-out Period Beginning Date: [Not applicable / specify]
- (d) Knock-out Period Beginning Date Scheduled Trading Day Convention: [Applicable / Not applicable]
- (e) Knock-out Period: [Not applicable / specify]

Ending Date:

(f) Knock-out Period [Applicable / Not applicable]
Ending Date Scheduled
Trading Day
Convention:

(g) Knock-out Valuation [specify/See definition in Annex 6]/[Valuation
Time: Time]

(xvix) Delayed Redemption on the Occurrence [Applicable / Not applicable]
of a Disruption Event:

(xx) Other provisions: [specify / Not applicable]

41. Fund Linked Redemption Amount: [Applicable/Not applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Formula: [●]

(ii) Fund/Fund Basket: [specify]

(iii) Fund Share(s): [●]

(iv) Fund type: [The Fund is a [Hedge Fund / Mutual Fund /
Private Equity Fund] / [specify]]

(v) Fund Documents: [As per condition] [●]

(vi) Fund Business Day: [(Single Fund Share Basis)/(All Fund Shares
Basis)/(Per Fund Share Basis)]

(vii) Fund Service Provider: [Specify] /[As per Conditions]

(viii) Calculation Date(s): [As per Conditions/Specify]

(ix) Initial Calculation Date: [●]/[Not applicable]

(x) Final Calculation Date: [●]/[Not applicable]

(xi) Hedging Date: [●]

(xii) Protected Amount: [Specify]

(xiii) AUM Level: [●]

(xiv) NAV Trigger Percentage: [●]

(xv) NAV Trigger Period: [●]

(xvi) Number of NAV Publication Days: [●]

(xvii) Fund Valuation Date: [●]

(xviii) Basket Trigger Level: [●]

(xix) Fee: [●]

- (xx) Calculation Agent responsible for calculating the Final Redemption Amount due: [●]
- (xxi) Additional Extraordinary Fund Event(s): (*Specify*)
- (xxii) Consequences of an Extraordinary Fund Event: [*Specify*]/[As per Conditions]
- (xxiii) Termination Amount: [Principal Protected Termination Amount]/[Non Principal Protected Termination Amount]
[*Specify*]/[Not applicable]
- (xxiv) Simple Interest Spread: [*Specify*]
- (xxv) Termination Date: [*Specify*]
- (xxvi) Delayed Redemption on Occurrence of Extraordinary Fund Event: [Applicable]/[Not applicable]
- (xxvii) Delayed Payment Cut-off Date [*Specify*]
- (xxviii) Other Provisions: [●]

42. Credit Linked Certificates: [Applicable/Not applicable]

- (i) Type of Credit Linked Certificates: [Single Reference Entity Credit Linked Security]
[Nth-to-Default Credit Linked Security]
[N: [●]]

[Substitution: [Not applicable]]

[Linear Basket Credit Linked Security]

[Applicable]/[Other]

Substitution: [Not applicable]/ [Applicable]

- (ii) Transaction Type: [●]
- (iii) Trade Date: [●]
- (iv) Scheduled Redemption Date: [●]
- (v) Calculation Agent responsible for making calculation and determinations pursuant to Annex 9 (Credit Linked Conditions): [●]
- (vi) Reference Entity(ies): [●]
Reference Entity Notional Amount: [●]
- (vii) Reference Obligation(s): [●]

The obligation identified as follows

- (a) Primary Obligor: [●]
- (b) Maturity: [●]
- (c) Coupon: [●]
- (d) CUSIP/ISIN: [●]
- (e) Original issue amount: [●]
- (viii) Settlement Method: [Auction Settlement] / [Cash Settlement] / [Physical Settlement]
- (ix) Fallback Settlement Method: [Cash Settlement] / [Physical Settlement]
- (x) Settlement Currency: [●]
- (xi) LPN Reference Entities: [Not applicable] / [Applicable]
- (xii) Specified Currency: [Standard Specified Currencies] / [Insert details]
- (xiii) Redemption Agent: [●]
- (xiv) Additional Credit Linked Security Disruption Event: [The following Additional Credit Linked Security Disruption Events apply:] / [Not Applicable]
- (Specify each of the following which applies.)*
- [Change in Law]
- [Hedging Disruption]
- [Increased Cost of Hedging]
- (xv) Additional provisions: [Insert relevant details]/[Insert any details of Additional Credit Events]

Terms relating to interest

- (xvi) Cessation of Interest Accrual: [As specified in Credit Linked Condition 3(A)(i)]/ [As set out in Credit Linked Condition 3(A)(ii)]
- (xvii) Interest rate following Scheduled Redemption Date: [As specified in Credit Linked Condition 3(B)(i)]/ [Specify other rate]

Terms relating to Auction Settlement

- (xviii) Auction Settlement Amount: [As per the Credit Linked Conditions]/[●]

Terms relating to Cash Settlement

- (xix) Credit Event Cash Settlement Amount: [As per the Credit Linked Conditions]/[●]
- (xx) Cash Settlement Date: [As per the Credit Linked Conditions]/[●]
- (xxi) Valuation Date: [[●] Business Days/calendar days]
- (xxi) Valuation Time: [●]
- (xxiii) Quotation Amount: [●]

- (xxiv) Minimum Quotation Amount: [As specified in the Credit Linked Conditions]/[●]
- (xxv) Credit Security Dealer: [Insert details]/[As per the Credit Linked Conditions]
- (xxvi) Quotations: [Include Accrued Interest]/[Exclude Accrued Interest]

Terms relating to Physical Settlement

- (xxvii) Accrued Interest: [Include Accrued Interest]/[Exclude Accrued Interest]

- (xxviii) Excluded Deliverable Obligation(s): [●] [Not applicable]

- 43. Debt Linked Certificates:** [The provisions of Annex 4 (Additional Terms and Conditions for Debt Linked Securities) shall apply.]/[Not applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Nominal Amount: The nominal amount which is to be used to determine the Cash Settlement Amount is [●] and the relevant screen page ("**Relevant Screen Page**") is [●].
- (ii) Redemption of underlying Debt Securities: Where one or more of the relevant Debt Securities is redeemed (or otherwise ceases to exist) before the expiration of the relevant Certificates, [insert appropriate fallback provisions].
- (iii) Exchange Business Day: "Exchange Business Day" means [●].
- (iv) Valuation Time: [specify]
- (v) Specified Maximum Days of Disruption: [specify]

- 44. Market Access Certificates:** The provisions of Annex [1/2/3]⁶⁷ (Additional Terms and Conditions for [Index/Share/Debt] Securities) and Annex 8 (Additional Terms and Conditions for Market Access Securities) shall apply.] [Not applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) [Share Amount/Debt Securities Amount]: [specify]
- (ii) Market Access Security Condition 1 (Interim Payment Amount/Interim Coupon Amount) of Annex 8: [Applicable/Not applicable]
- (iii) The Coupon Payments are: [specify]

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For Market Access Certificates include relevant Annex and complete relevant section for Index/Share/Debt Certificates and include Annex 8 and complete this paragraph as appropriate.

- (iv) Market Access Security Condition 2 [Applicable/Not applicable]
(Potential Adjustment Event) of Annex 8:
 - (v) Market Access Security Condition 3 [Applicable/Not applicable]
(Stock Dividends or Stock Distributions and rights Issues) of Annex 8:
 - (vi) Market Access Security Condition 4 [Applicable/Not applicable]
(Issuer's option following an Additional Disruption Event or Optional Additional Disruption Event) of Annex 8:
 - (vii) Market Access Security Condition 5 [Applicable/Not applicable]
(Regulatory Change Event) of Annex 8:
 - (viii) Market Access Security Condition 6 [Applicable/Not applicable]
(Early Termination Event) of Annex 8:
 - (ix) Market Access Security Condition 7 [Applicable/Not applicable]
(Additional Condition) of Annex 8:
 - (x) Market Access Security Condition 8 [Applicable/Not applicable]
(Certificates linked to underlying shares that are yet to be listed) of Annex 8:
 - (i) Expected Listing Date is *[specify]*
 - (ii) The amount payable in respect of each Certificate so redeemed shall be *[specify amount or manner of determination]*.
- 45. ETI Linked Redemption Amount:** [Applicable/Not applicable]
- (if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Formula: [●]
 - (ii) ETI/ETI Basket: [●]
 - (iii) ETI Interest(s): [●]
 - (iv) Exchange(s): [●]
 - (v) Related Exchange(s): [●]/[Not applicable]
 - (vi) Exchange Business Day: [(Single ETI Interest Basis)/(All ETI Interests Basis)/(Per ETI Interest Basis)]
 - (vii) Scheduled Trading Day: [(Single ETI Interest Basis)/(All ETI Interests Basis)/(Per ETI Interest Basis)]
 - (viii) ETI Documents: [●]
 - (ix) ETI Related Party(ies): [As per the Conditions / *[specify]*]
 - (x) Trade Date: [●]

- (xi) Calculation Date(s): [specify]
- (xii) Initial Calculation Date: [●]
- (xiii) Final Calculation Date: [●]
- (xiv) Hedging Date: [●]
- (xv) Averaging: Averaging [applies] / [does not apply] to the Certificates.
[The Averaging Dates are: [●]]
[In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
- (xvi) Protected Amount: [Specify]
- (xvii) ETI Interest Correction Period: [As per the Conditions / [specify]]
- (xviii) Value Trigger Percentage: [●]
- (xix) Value Trigger Period: [●]
- (xx) Value per ETI Interest/Trading Price Barrier: [●]
- (xxi) Number of Value Publication Days: [●]
- (xxii) Redemption Valuation Date: [●]
- (xxiii) Valuation Time: [As per the Conditions / [specify]]
- (xxiv) Basket Trigger Level: [As per the Conditions / [specify]]
- (xxv) Investment/AUM Level: [specify]/[As per the Conditions]
- (xxvi) Maximum Stock Loan Rate: [●]
- (xxvii) Calculation Agent responsible for calculating the Final Redemption Amount due: [●]
- (xxviii) Additional Extraordinary ETI Event(s): [●]
- (xxix) Knock-in Event: [Not applicable / specify ["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Price]]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Knock-in Price: [specify]
- (b) Knock-in Determination Day(s): [specify / Each Scheduled Trading Day in the Knock-in Determination Period]
- (c) Knock-in Period [Not applicable / specify]

Beginning Date:

(d) Knock-in Period [Applicable / Not applicable]
Beginning Date
Scheduled Trading
Day Convention:

(e) Knock-in Period [Not applicable / *specify*]
Ending Date:

(f) Knock-in Period [Applicable / Not applicable]
Ending Date
Scheduled Trading
Day Convention:

(g) Knock-in Valuation [Scheduled Closing Time]/[Any time on a Knock-
Time: in Determination Day.]

(xxx) Knock-out Event: [Not applicable / *specify* /["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Price]]

(If not applicable, delete the remaining subparagraphs of this paragraph)

(a) Knock-out Price: [*specify*]

(b) Knock-out [*specify* / Each Scheduled Trading Day in the
Determination Day(s): Knock-out Determination Period]

(c) Knock-out Period [Not applicable / *specify*]
Beginning Date:

(d) Knock-out Period [Applicable / Not applicable]
Beginning Date
Scheduled Trading
Day Convention:

(e) Knock-out Period [Not applicable / *specify*]
Ending Date:

(f) Knock-out Period [Applicable / Not applicable]
Ending Date
Scheduled Trading
Day Convention:

(g) Knock-out Valuation [Scheduled Closing Time]/[Any time on a Knock-
Time: out Determination Day.]

(xxxi) Automatic Early Redemption Event: [*specify* / See definition in ETI Linked Condition 9]

(a) Automatic Early [*specify*]
Redemption Amount:

(b) Automatic Early [*specify*] [or if that is not a Business Day the

- Redemption Date(s): immediately [succeeding/preceding] Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day.]
- (c) Automatic Early [specify]
Redemption Price:
- (d) Automatic Early [specify]
Redemption Rate:
- (e) Automatic Early [specify]
Redemption Valuation
Date(s):
- (xxxii) Termination Amount: [Specify]/[Principal Protected Termination Amount]/[Non Principal Protected Termination Amount]/[Not applicable]
- (xxxiii) Settlement Price: [As per the Conditions]/[Official Closing Price]/[Value per ETI Interest]/[Specify]
- (xxxiv) Simple Interest Spread: [Specify]
- (xxxv) Termination Date: [Specify]
- (xxxvi) Specified Maximum Days of [●]/[eight]
Disruption:
(N.B. Unless specified otherwise in these Final Terms, the Specified Maximum Days of Disruption shall be equal to eight Scheduled Trading Days)
- (xxxvii) Delayed Redemption on Occurrence of Extraordinary ETI Event: [Applicable]/[Not applicable]
- (xxxviii) Delayed Payment Cut-off Date: [specify]
- (xxxix) Other Provisions: [●]

46. Early Redemption:

Early Redemption Amount(s) (if required or if different from that set out in Condition 8(e) (*Early Redemption Amounts*)): [Liquidation Proceeds/please specify]

Swap Counterparty optional termination - Call option Condition 8(f) and Condition 9(h)(i) [Applicable / Not applicable]

Swap Counterparty optional termination - Repurchase (Condition 9(h)(ii)) [Applicable / Not applicable]

Early Redemption Events:

(i) Asset Payment Default Event: [Applicable / Not applicable]

(ii) Asset Default Event: [Applicable / Not applicable]

(iii)	Asset Redemption Event:	[Applicable / Not applicable]
(iv)	Asset Payment Shortfall Event:	[Applicable / Not applicable]
(v)	Compartment Tax Event:	[Applicable / Not applicable]
(vi)	Related Agreement Termination Event:	[Applicable / Not applicable]
(vii)	Annex Early Termination Event:	[Applicable / Not applicable]
(viii)	Compartment Change in Law Event:	[Applicable / Not applicable]
	Additional Early Redemption Event(s):	[Applicable / Not applicable]
		<i>[If applicable, please specify]</i>

Redemption for taxation and other reasons:

–	Condition 8(m) (<i>Redemption for taxation and other reasons</i>):	[Applicable / Not applicable]

Redemption Date Extension [Applicable / Not applicable]

[(if Redemption Date Extension is applicable, specify the Extended Redemption Date)].

[(if Redemption Date Extension is applicable, specify whether Sale of Assets is applicable or not applicable)].

47. Provisions applicable to Physical Delivery⁶⁸:

[Applicable / Not applicable]

(i)	[Entitlement in relation to each Certificate:	Entitlement in relation to each Certificate is [specify]
		The Entitlement will be evidenced by <i>[insert details of how the Entitlement will be evidenced]</i> .
		<i>[The Entitlement will be delivered [insert details of the method of delivery of the Entitlement].</i>
		<i>(N.B. Only applicable in relation to Physical Delivery Certificates)]</i>
(ii)	[Relevant Asset(s):	[As specified above] / The relevant asset to which the Certificates relate [is/are] [●].
(iii)	Cut-Off Date:	[●]/[As specified in Condition 6(b)]
(iv)	[Settlement Business Day(s):	[specify]]
(v)	Delivery Agent:	[Not applicable/Specify]

48. Variation of Settlement:

(i)	Issuer's option to vary settlement	The Issuer [has/does not have] the option to vary settlement in respect of the Certificates.

⁶⁸

Not applicable to Commodity Linked Certificates

- (ii) Variation of Settlement of Physical Delivery Certificates: [Notwithstanding the fact that the Certificates are Physical Delivery Certificates, the Issuer may make payment of the Cash Settlement Amount on the Redemption Date and the provisions of Condition 6(b)(ii)(B) will apply to the Certificates./The Issuer will procure delivery of the Entitlement in respect of the Certificates and the provisions of Condition 6(b)(ii)(B) will not apply to the Certificates.]

49. Order of Priority of payments made by the Issuer: [Select one of "Swap Counterparty Priority", "Pari Passu Ranking" and "Certificateholder Priority"]

COMPARTMENT ASSETS AND SECURITY

50. Description of Compartment: [Insert Compartment name / number]
Compartment is a Compartment in respect of which at any time only this Series of Certificates may be outstanding.

Compartment Account: [Applicable/Not applicable]

Account Bank: [Applicable – BNP Paribas Securities Services, Luxembourg Branch/ Not applicable]

Cash Manager: [Applicable – BNP Paribas Securities Services, Luxembourg Branch / Not applicable]

Sub-Custodian in relation to the Compartment Assets: [Applicable / Not applicable]

Compartment Security for the Certificates is "Charged Assets charged to Trustee; additional foreign law security": [Applicable / Not applicable]

General security (if different to Conditions): [Specify if different or state/Not applicable]

Compartment Assets substitution by Swap Counterparty (pursuant to Condition 9(f)): [Applicable / Not applicable]

– Permitted currency of securities to be substituted for the Compartment Assets (pursuant to Condition 9(f)(i)): [Specify currency]

– Eligible Compartment Assets Issuer: [●]

– Alternative Substitution (Condition 9(f)(ii)): [Applicable / Not applicable]

– Delivery or payment of the securities, obligations or cash which may be substituted for the Compartment Assets to the [Counterparty]

Custodian by (if not Swap Counterparty): (Condition 9(f)):

- Additional documents to be prepared, in addition to a Supplemental Prospectus, by the Issuer in the event substitution occurs: *[Please specify]*

Compartment Assets substitution under a Credit Support Annex/Credit Support Deed/Pledge: delivery or payment of securities, obligations or cash by (if not Swap Counterparty) (Condition 9(g)):

[Credit Support Annex/Credit Support Deed/Pledge][Counterparty]

Issuer's rights as holder of Compartment Assets (if different from that set out in Condition 9(j)):

[Applicable / Not applicable] [If applicable, please specify].

[If not applicable, please give details]

Swap Termination Without Redemption:

[Applicable / Not applicable]

[If applicable, please give details]

Prescription (if different from the terms set out in Condition 11)

[Applicable / Not applicable]

[If not applicable, please give details of when Certificates will become void if not presented for payment]]

Enforcement and realisation (if different from the terms set out in Condition 14):

[Applicable / Not applicable]

[If applicable, please give details]

51. Charged Assets:

[Insert description of Charged Assets]

[In completing this paragraph, the "Description of Charged Assets" in Part B and the following paragraphs, please consult the provisions of Annex VIII of the Prospectus Directive Regulation. Either complete each paragraph below and the relevant paragraphs in Part B or describe in this paragraph, including relevant details as applicable from the paragraphs below and the relevant paragraphs in Part B]

- (i) legal jurisdiction by which the Charged Assets are governed:

[insert jurisdiction]

- (ii) obligors under the Charged Assets:

[In the case of a small number of easily identifiable obligors, a general description of each obligor]

In all other cases, a description of: the general characteristics of the obligors; and the economic environment, as well as global statistical data

referred to the Compartment Assets]

- (iii) legal nature of the Charged Assets: [Swap agreement/Deposit agreement/*other*]
- (iv) expiry or maturity date(s) of the Charged Assets: [Redemption Date/Exercise Date/*other*]

GENERAL PROVISIONS APPLICABLE TO THE CERTIFICATES

- 52. Additional Business Centre(s) or other special provisions relating to Business Days (as set out in Condition 13): [Not applicable/*give details*] (*All relevant financial centre(s) (including the location of the relevant agent(s)) should be included other than TARGET2.*)
- 53. Financial Centre(s) or other special provisions relating to Payment Days for the purposes of Condition 6(a) (*Method of Payment*): [Not applicable/*give details*] (*Note that this paragraph relates to the place of payment and not interest period end dates to which subparagraphs 22(ii) and 23(ii) relate all relevant Financial Centre(s) (including the location of the relevant agent(s)) should be included other than TARGET2*)
- 54. Details relating to Partly Paid Certificates: amount of each payment comprising the Issue Price and date on which each payment is to be made and, if different from those specified in the Global Certificate, consequences of failure to pay, including any right of the Issuer to forfeit the Certificates and interest due on late payment: [Not applicable/*give details*]
- For the purposes of Condition 8(h), "Early Redemption Date" means, in respect of any Certificate, the seventh Payment Business Day following a Part Payment Default Date [Applicable / Not applicable]
- [*If the definition of "Early Redemption Date" set out here is not applicable for the purposes of Condition 8(h), please specify the applicable definition*]
- For the purposes of Condition 8(h) (*Partly Paid Certificates*), "Settlement Amount" means, in respect of any Certificate, an amount determined by the Calculation Agent in accordance with the following formula: [Applicable / Not applicable]
- Max [0; [paid-up Notional Amount - Unwinding Costs] [*If the definition of "Settlement Amount" set out here is not applicable for the purposes of Condition 8(h), please specify the applicable definition*]
- 55. Details relating to Certificates redeemable in instalments: amount of each instalment, date on which each payment is to be made: [Not applicable/*give details*]
- (i) Instalment Amounts: [•]
- (ii) Instalment Dates: [•]
- 56. Redenomination, and reconventioning [Not applicable / The provisions [in Condition

provisions:

20)/[annexed to these Final Terms] apply]

57. Other terms or special conditions:

[Not applicable/*give details/specify rating, if applicable/specify any Payment Disruption Events and the consequences thereof, if applicable, for the purpose of Condition 6(a)*]

DISTRIBUTION

58. Date of [Subscription Agreement]:

[●]

59. Name of [and address] Dealer:

[●]

60. Total commission and concession:

[●]

61. U.S. Selling Restrictions:

[Regulation S. The Certificates may not be offered, sold, resold, traded, pledged, redeemed, transferred, delivered or exercised, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person.]

62. Non exempt Offer:

[Not applicable] [An offer of the Certificates may be made by the Dealers [and *[specify names of other financial intermediaries/placers making non-exempt offers, to the extent known OR consider a generic description of other parties involved in non-exempt offers (e.g. "other parties authorised by the Dealers") or (if relevant) note that other parties may make non-exempt offers in the Public Offer Jurisdictions during the Offer Period, if not known]*] (together with the Managers, the "**Financial Intermediaries**") other than pursuant to Article 3(2) of the Prospectus Directive in *[specify relevant Member State(s) – which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)]* ("**Public Offer Jurisdictions**") during the period from *[specify date]* until *[specify date or a formula such as "the Issue Date" or "the date which falls [●] Business Days thereafter"]* ("**Offer Period**"). See further Paragraph 10 of Part B below.

(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)

63. Additional selling restrictions:

[Not applicable/*give details*]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to trading on [specify relevant regulated market (for example the Bourse de Luxembourg) and, if relevant, listing on an official list (for example, the Official List of the Luxembourg Stock Exchange)] of the Certificates described herein] pursuant to the SecurAsset S.A. €20,000,000,000 Secured Note, Warrant and Certificate Programme.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[Relevant third party information, for example in compliance with Annex XII to the Prospectus Directive Regulation in relation to an index or its components] has been extracted from [specify source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: _____

Duly authorised

By: _____

Duly authorised

PART B – OTHER INFORMATION

1. Listing and Admission to trading

- (i) Listing: [Luxembourg Stock Exchange's Official List/Specify other/None]
- (ii) Admission to trading: [Application has been made for the Certificates to be admitted to trading on [Luxembourg Stock Exchange's Regulated Market/Luxembourg Stock Exchange's Euro MTF Market/Specify other] with effect from [●].] [Not applicable.]
- (Where documenting a fungible issue need to indicate that original [Certificates] are already admitted to trading)]*
- (iii) Estimate of total expenses [●]
related to admission to trading:

2. [Risk Factors]

[Include any issue specific risk factors which are not covered under "Risk Factors" in the Base Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute "significant new factors" and consequently trigger the need for either (i) a supplement to the Base Prospectus under Article 16 of the Prospectus Directive and the relevant implementing measures in the Grand Duchy of Luxembourg, the publication of which would in turn trigger the investors' right to withdraw their acceptances within a 48 hour time period or (ii) a Prospectus, in which case a supplement or Prospectus, as applicable, will be drawn up and approved.]]

[Investors may lose the value of their entire investment (together with, in addition to such investment, any amounts which may have accrued on such investment but which have not been paid, if applicable) or part of it, as the case may be, and/or, if the investor's liability is not limited to the value of his investment (such as where the investor may lose, in addition to such investment, any amounts which may have accrued on such investment but which have not been paid, if applicable), a statement of that fact, together with a description of the circumstances in which such additional liability arises and the likely financial effect.]

3. [Interests of Natural and Legal Persons Involved in the [Issue/Offer]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save for any fees payable to the [Dealers], so far as the Issuer is aware, no person involved in the offer of the Certificates has an interest material to the offer."

4. [Reasons for the Offer, Estimated Net Proceeds and Total Expenses]⁶⁹

Reasons for the offer:

[●]

(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)

Estimated net proceeds:

[●]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

Estimated total expenses:

[●] *[Expenses are required to be broken down into each principal intended "use" and presented in order or priority of such "uses".]*

(N.B.: Where Annex XII of the Prospectus Directive Regulation applies in respect of the Certificates (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) and (iii) above are also required.)]

5. [Performance of Index/ Share/ Commodity/ Inflation/ Foreign Exchange Rate/ Fund/ Reference Entity/ Entities/ ETI, Explanation of Effect on Value of Investment and Associated Risks and Other Information concerning the Underlying]

Include details of where past and future performance and volatility of the index/commodity/rates/reference entity/fund/ETI/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]⁷⁰ [Where the underlying is an index, include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer, include details of where the information about the index can be obtained.]⁷¹

Where the underlying is a security, include the name of the issuer of the security and the ISIN or equivalent identification number. Where the underlying is a basket of underlying, include the relevant weightings of each underlying in the basket.

Include a description of any market disruption or settlement disruption events that affect the underlying and any adjustment rules in relation to events concerning the underlying (if applicable).

6. Operational Information

(i) ISIN Code:

[●]

(ii) Common Code:

[●]

(iii) Any clearing system(s) other than [Not applicable/give name(s) and number(s)]

⁶⁹ Where Annex XII of the Prospectus Regulation applies, disclosure in respect of Estimated Net Proceeds and Total Expenses is only required if reasons for the offer are disclosed.

⁷⁰ Required where Annex XII of the Prospectus Regulation applies.

⁷¹ Required where Annex XII of the Prospectus Regulation applies.

Euroclear and Clearstream, Luxembourg approved by the Issuer and the Principal Warrant and Certificate Agent and the relevant identification number(s):

- (iv) Delivery: Delivery [against/free of] payment
- (v) Additional Paying Agent(s) (if any): [Not applicable/give name]

7. [Public Offers]

- Offer Period: [●] to [●]
- (Should be from the date of publication of the Final Terms to a specified date or a formula such as "the Issue Date" or "the date which falls [●] Business Days thereafter".)*
- Offer Price: [The Issuer has offered the Certificates to the Dealers at the initial issue price of [●] less a total commission of [●]. OR (where the price is not determined at the date of the Final Terms) The issue price of the Certificates will be determined by the Issuer and the [Dealers] on or about [●] in accordance with market conditions then prevailing, including [supply and demand for the Certificates and other similar securities] [and] [the then current market price of [insert relevant benchmark security, if any].]
- Conditions to which the offer is subject: [Offers of the Certificates are conditional on their issue [and on any additional conditions set out in the standard terms of business of the Financial Intermediaries, notified to investors by such relevant Financial Intermediaries]]
- [Description of the application process: *N/A unless full application process is being followed in relation to the issue*]
- [Details of the minimum and/or maximum amount of application: *N/A unless full application process is being followed in relation to the issue*]
- [Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: *N/A unless full application process is being followed in relation to the issue*]
- Details of the method and time limits for paying up and delivering the Certificates: [The Certificates will be issued on the Issue Date against payment to the Issuer of the net subscription moneys. Investors will be notified by the relevant Financial Intermediary of their allocations of Certificates and the settlement arrangements in respect thereof.]
- [Manner and date in which results of the offers are to be made public: *N/A unless the issue is an "up to" issue when disclosure must be included*]

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

N/A unless full application process is being followed in relation to the issue]

Categories of potential investors to which the Certificates are offered:

[Offers may be made by the Financial Intermediaries in *[insert jurisdiction where the Prospectus has been approved and published and jurisdictions into which it has been passported]* to any person *[insert suitability criteria, if any are deemed appropriate pursuant to any applicable conduct of business rules]*. In other EEA countries, offers will only be made by the Financial Intermediaries pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus.]

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

[Process for notification – N/A unless full application process is being followed in relation to the issue.]

[No dealings in the Certificates on a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC may take place prior to the Issue Date.]

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

[]

8. **[Placing and Underwriting]**⁷²

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer:⁷³

[•]

Name and address of any paying agents and depository agents in each country (in addition to the Principal Warrant and Certificate Agent):

[•]

Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements:⁷⁴

[•]

When the underwriting agreement has been or will be reached:

[•]

9. **Description of Charged Assets**

Amount of the Charged Assets:

[•]

Loan to value ratio or level of collateralisation of the Charged Assets:

[•]

⁷² Required where Annex XII of the Prospectus Regulation applies.

⁷³ To the extent known to the Issuer, of the placers in the various countries where the offer takes place.

⁷⁴ Where not all of the issue is underwritten, a statement of the portion not covered.

Method of origination or creation of the Charged Assets:	[The Issuer shall enter into a swap transaction/a deposit agreement with [entity] on or prior to the Issue Date/other] <i>[Include, for loans and credit agreements, the principal lending criteria and an indication of any loans which do not meet these criteria and any rights or obligations to make further advances]</i>
An indication of any significant representations and collaterals given to the Issuer relating to the Charged Assets:	[Applicable / Not applicable] <i>[If applicable, provide a description]</i>
A description of any relevant insurance policies relating to the Charged Assets:	[Applicable / Not applicable] <i>[If applicable, provide a description, in particular any concentration with one insurer must be disclosed if it is material to the transaction]</i>
Where the Charged Assets comprise obligations of 5 or fewer obligors which are legal persons or where an obligor accounts for 20% or more of the Charged Assets, or where an obligor accounts for a material portion of the Charged Assets:	[Applicable / Not applicable] <i>[If applicable; so far as the Issuer is aware and/or is able to ascertain from information published by the obligor(s) indicate either of the following (as required by Annex VIII of the Prospectus Directive Regulation):</i> <i>(a) information relating to each obligor as if it were an issuer drafting a Registration Document for debt and derivative securities with an individual denomination of at least EUR 100,000; or</i> <i>(b) if an obligor or guarantor has securities already admitted to trading on a regulated or equivalent market or the obligations are guaranteed by an entity admitted to trading on a regulated or equivalent market, the name, address, country of incorporation, nature of business and name of the market in which its securities are admitted.]</i>
Any relationship that is material to the issue between the Issuer, guarantor and obligor under the Charged Assets:	[Applicable / Not applicable] <i>[If applicable, provide details of the principal terms of that relationship]</i> [• [which is the [insert capacity/capacities] under

the Certificates]

Charged Assets comprising obligations that are not admitted to trading on a regulated or equivalent market:

[Applicable / Not applicable]

[If applicable, insert a description of the principal terms and conditions of the obligations.]

[The swap transaction entered into between the Issuer and [BNP Paribas] (the "**Swap Agreement**") is governed by an ISDA Master Agreement dated as of [] (the "**ISDA Master Agreement**") and is evidenced by a confirmation incorporating by reference to one or more sets of definitions published by ISDA for the relevant Swap Agreement.]

Charged Assets comprising obligations that are admitted to trading on a regulated or equivalent market:

[Applicable / Not applicable]

[If applicable, indicate the following:

(a) a description of the securities;

(b) a description of the market on which they are traded including its date of establishment, how price information is published, an indication of daily trading volumes, information as to the standing of the market in the country and the name of the market's regulatory authority;

(c) the frequency with which prices of the relevant securities are published.]

Additional description where more than ten (10) per cent of the Charged Assets comprise equity securities that are not traded on a regulated or equivalent market:

[Applicable / Not applicable]

[If applicable, provide a description of those equity securities and equivalent information to that contained in the schedule for share Registration Document in respect of each Issuer of those securities]

Additional description where a material portion of the Charged Assets are secured on or backed by real property:

[Applicable / Not applicable]

[If applicable, provide a valuation report relating to the property setting out both the valuation of the property and cash flow/income streams

Compliance with this disclosure is not required if the issue is of securities backed by mortgage loans

with property as security, where there has been no revaluation of the properties for the purpose of the issue, and it is clearly stated that the valuations quoted are as at the date of the original initial mortgage loan origination.]

Flow of funds:

[Insert description of how payments are collected in respect of the assets]

[Please include confirmation that the securitised assets backing the issue have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the securities and how the cash flow from the assets will meet the Issuer's obligations to holders of Securities, including, if necessary, a financial service table and a description of the assumptions used in developing the table]

[Any amount payable to the Issuer by [BNP Paribas] under any swap transaction shall be paid directly by [BNP Paribas] to the Issuer.

The swap transaction has been structured so that the flows under the Certificates correspond to the flows under the swap transaction:

- on Issue Date, the Issuer shall pay to the swap counterparty the proceeds of the issue of the Certificates;

- during the life of the Certificates and in respect of the Redemption Date or the date of any early termination, any payment by the Issuer to the Certificateholders under the Certificates will be funded by an amount paid by the swap counterparty to the Issuer under the swap transaction.]

Arrangements upon which payments to investors are dependent:

[Applicable / Not applicable]

[If applicable, provide details]

Names, addresses and significant business activities of the originators of the Compartment Assets

[Applicable / Not applicable]

[If applicable, provide details]

Name, address and significant business activities of the Calculation Agent, together with a summary of the Calculation Agent's responsibilities, its relationship with the originator or the creator of the assets forming the Charged Assets

[•]

Names and addresses and brief description of: [●]

- (a) any swap counterparties and any providers of other material forms of credit/liquidity enhancement; and
- (b) the banks with which the main accounts relating to the Series are held.

Availability of any liquidity supports and any investment parameters for the investment of temporary liquidity surpluses and description of the parties responsible for such investment [Applicable / Not applicable]

[If applicable, provide details]

Information on any credit enhancements, an indication of where material potential liquidity shortfalls may occur and the availability of any liquidity supports and indication of provisions designed to cover interest/principal shortfall risks: [Applicable / Not applicable]

[If applicable, provide an indication of where these may occur]

Without prejudice to the paragraph immediately above, details of any subordinated debt finance [Applicable / Not applicable]

[If applicable, provide details]

Information concerning the Charged Assets reproduced from a source published by a third party: [Applicable / Not applicable]

[If applicable: So far as the Issuer is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information misleading].

10. [Rating]

Ratings

Ratings: The Certificates to be issued have [not] been rated:

[S & P: [●]]

[Moody's: [[●]]]

[[Other]: [[●]]]

[Need to include a brief explanation of the meaning of the ratings if this has previously

been published by the rating provider:

[•]

[The Certificates to be issued [[have been]/[are expected to be]] rated [insert details] by [insert credit rating agency name(s)].]

[[Insert credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011 although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[[Insert credit rating agency] is established in the European Union and is registered under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011, and may be found on the latest update of the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu).]

[[Insert credit rating agency] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011.]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011. However, the application for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011 of [insert the name of the relevant EU CRA affiliate that applied for registration], which is established in the European Union, disclosed the intention to endorse credit ratings of [insert credit rating agency].]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011. The ratings [[have been]/[are expected to be]] endorsed by [insert the name of the relevant EU-

registered credit rating agency] in accordance with Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011. [*Insert the name of the relevant EU-registered credit rating agency*] is established in the European Union and registered under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011, and may be found on the latest update of the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu).]

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011, but it is certified in accordance with such Regulation.]

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes, which will include the additional terms and conditions contained in Annex 1 in the case of Index Linked Notes, Annex 2 in the case of Share Linked Notes, Annex 3 in the case of Debt Linked Notes, Annex 4 in the case of Commodity Linked Notes, Annex 5 in the case of Inflation Index Linked Notes, Annex 6 in the case of Currency Linked Notes, Annex 7 in the case of Fund Linked Notes, Annex 8 in the case of Market Access Notes, Annex 9 in the case of Credit Linked Notes and Annex 10 in the case of ETI Linked Notes or any other Annex (each an "Annex" and together the "Annexes" which may be added from time to time) which will be incorporated by reference into each Global Note and each Definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer(s) at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed upon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Series (and/or Tranche, as the case may be) of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed on, attached to or incorporated by reference in, each temporary global Note, permanent global Note and definitive Note. Reference should be made to the section headed "Form of the Notes" above for a description of the content of Final Terms which will specify which of such terms is to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by SecurAsset S.A. (the "**Issuer**"), a regulated securitisation undertaking within the meaning of the Luxembourg Act dated 22 March 2004 on securitisation, as amended (the "**Securitisation Act 2004**", which term shall include such act as modified, amended or re-enacted from time to time), constituted and secured by a supplemental trust deed (the "**Supplemental Trust Deed**"), dated the date of issue of the Notes (the "**Issue Date**") between, *inter alia*, the Issuer, BNP Paribas Trust Corporation UK Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed (as defined below)) as trustee for the Noteholders (as defined in Condition 1) and, if applicable, the persons specified therein as the guarantor (the "**Guarantor**" and, if applicable, the persons specified therein as a Swap Counterparty and/or Deposit Counterparty and/or Repo Counterparty (each as defined in Condition 8 (Compartment Assets)). The Supplemental Trust Deed is supplemental to a trust deed (the "**Trust Deed**", which expression includes the same as it may be modified and/or supplemented and/or restated from time to time) dated 6 February 2009 as most recently amended and restated on 29 June 2012 and made between the Issuer and BNP Paribas Trust Corporation UK Limited as trustee (the "**Trustee**", which expression shall include any successor appointed pursuant to the Trust Deed). References herein to the "Issuer" shall include the Substitute Company as defined in Condition 13(e) (Substitution), in the case of any substitution of the Issuer in accordance with that Condition.

References herein to the Notes shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Note(s) represented by a global Note, units of each specified denomination (the "**Specified Denomination**") in the Specified Currency of issue;
- (b) definitive Notes in bearer form ("**Definitive Bearer Notes**") issued in exchange for a global Note;
- (c) any global Note in bearer or registered form ("**Bearer Global Note(s)**" and "**Registered Global Note(s)**", respectively, and each a global Note); and
- (d) any definitive Notes in registered form ("**Definitive Registered Notes**") (whether or not issued in exchange for a Registered Global Note).

The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an agency agreement dated 6 February 2009 as most recently amended and restated on 29 June 2012 (the "**Agency Agreement**", which expression includes the same as it may be modified and/or supplemented

and/or restated from time to time) and made between, *inter alia*, the Issuer, the Trustee, BNP Paribas Arbitrage S.N.C. as calculation agent (the "**Calculation Agent**"), which expression shall include any additional or successor calculation agents specified in the applicable Final Terms), BNP Paribas Securities Services, Luxembourg Branch as account bank (where specified in the applicable Final Terms) (the "**Account Bank**"), BNP Paribas Securities Services, Luxembourg Branch as issuing and principal paying agent, registrar, transfer agent and, where specified in the applicable Final Terms, the custodian and cash manager (the "**Issuing and Paying Agent**", the "**Registrar**", "**Transfer Agent**", the "**Custodian**" and the "**Cash Manager**" respectively, which expressions shall include, in each case, any additional or successor agents specified in the applicable Final Terms) and the other paying agents named therein (together with the Issuing and Paying Agent and the Registrar, the "**Paying Agents**", which expression shall include any additional or successor paying agents). The Paying Agents, the Transfer Agent, the Calculation Agent, the Cash Manager and the Custodian shall be referred to collectively hereunder as the "**Agents**". The Notes, the Trust Deed (together with any Supplemental Trust Deed), the Agency Agreement (together with any supplements thereto), the Dealer Agreement and any other Related Agreements are together referred to as the "**Transaction Documents**".

Interest bearing Definitive Bearer Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons ("**Coupons**") and, if indicated in the applicable Final Terms, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to "Coupons" or "coupons" shall, unless the context otherwise requires, be deemed to include a reference to "Talons" or "talons". Definitive Bearer Notes repayable in instalments have receipts ("**Receipts**") for the payment of the instalments of principal (other than the final instalment) attached on issue. Global Notes do not have Receipts, Coupons or Talons attached on issue.

The Trustee acts for the benefit of the holders for the time being of the Notes (the "**Noteholders**", which expression shall mean, in the case of Bearer Notes, the holders of the Notes and, in the case of Registered Notes, the persons in whose name the Notes are registered, and shall, in relation to any Notes represented by a global Note, be construed as provided in Condition 1 below), the holders of the Receipts (the "**Receiptholders**") and the holders of the Coupons (the "**Couponholders**", which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed. The Trustee also holds the Compartment Security granted by the Issuer for itself and the other Secured Parties (as defined below).

Any references in these Terms and Conditions to "Coupons", "Talons" or "Receipts" shall not apply to Registered Notes.

Any reference herein to "Euroclear" and/or "Clearstream, Luxembourg" (each term as defined below) shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms, approved by the Issuer, the Guarantor (if applicable), the Trustee, the Issuing and Paying Agent, the Registrar (in the case of Registered Notes only) and, in the case of Notes listed on the Luxembourg Stock Exchange, the Luxembourg Stock Exchange.

The Final Terms for this Note (or other relevant provisions thereof) are set out in the Final Terms that are endorsed on, attached to or incorporated by reference in this Note and which supplement these terms and conditions (the "**Terms and Conditions**" or the "**Conditions**"). The applicable Final Terms (or other relevant provisions thereof) supplement these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note.

As used herein, "**Tranche**" means Notes which are identical in all respects and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Trust Deed and the Agency Agreement are available for inspection by Noteholders during normal business hours from the specified offices of the Paying Agents. Copies of the applicable Final

Terms are available for viewing by Noteholders at www.bourse.lu and copies may be obtained from the specified office of the Issuing and Paying Agent save that, if this Note is a Private Placement Note (as defined below) which has not been offered to the public in Luxembourg, the applicable Final Terms will only be obtainable by a Noteholder holding one or more such Notes and such Noteholder must produce evidence satisfactory to the Issuer, the Trustee and the relevant Paying Agent as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed (as such term is defined in the Trust Deed). In this paragraph, "**Private Placement Note**" means any Note that is not (i) offered to the public in the EEA for the purposes of article 3.1 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (the "**Prospectus Directive**") (except as specified under article 3.2 of the Prospectus Directive) or (ii) admitted to trading in the EEA for the purposes of article 3.3 of the Prospectus Directive.

By subscribing to, or otherwise acquiring, the Notes, each Noteholder expressly acknowledges and agrees that:

- (a) the Issuer (i) is subject to the Securitisation Act 2004 and (ii) in connection with the Notes has created a specific Compartment, which Compartment shall be identified by the number and/or name ascribed to it in the applicable Final Terms, to which all assets, rights, claims and agreements relating to the Notes will be allocated, subject as provided in the applicable Final Terms;
- (b) the provisions with respect to the Order of Priority specified in the applicable Final Terms will apply;
- (c) all payments to be made by the Issuer in respect of the Notes and the related Swap Agreement (if any) will be made only from and to the extent of the sums received or recovered from time to time by or on behalf of the Issuer or the Trustee in respect of the Charged Assets and, following a Note Acceleration in respect of the Note, the entitlement of the Noteholder will be limited to such Noteholder's *pro rata* share of the proceeds of the relevant Charged Assets applied in accordance with the Order of Priority specified in the applicable Final Terms and not to the assets allocated to other compartments created by the Issuer or to any other assets of the Issuer and, in the case of Guaranteed Notes, sums obtained on its behalf by the Trustee, making a claim under the Guarantee, subject to the terms set out in these Final Terms and the relevant provisions of the Guarantee;
- (d) it shall have no right to attach or otherwise seize the Charged Assets (subject as provided above), or any other assets of the Issuer, including, without limitation, any assets allocated to any other compartments of the Issuer; and
- (e) no Noteholder shall be entitled to petition or take any other step for the liquidation, winding-up or the bankruptcy of the Issuer or any similar proceedings.

Words and expressions defined in the Trust Deed or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated, and provided that, in the event of any inconsistency between the Trust Deed or the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

1. **Form, denomination and title**

The Notes, except for Notes in registered form ("**Registered Notes**") are in bearer form ("**Bearer Notes**"), and, in the case of Definitive Bearer Notes, serially numbered, in the Specified Currency and the Specified Denomination(s) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note is, to the extent specified in the applicable Final Terms, a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a Note with interest linked to one or more underlying reference assets or bases ("**Underlying Reference(s)**") specified in the applicable Final Terms such as an Index Linked Interest Note, a Share Linked Interest Note, a Debt Linked Interest Note, a Commodity Linked Interest Note, an Inflation Linked Interest Note, a Currency Interest Linked Note, a Fund Linked Interest Note, a Credit Linked Interest Note, an ETI Linked Interest Note or any combination thereof or, subject to all applicable laws and regulations, any other type of Note depending on the Interest Basis specified in the applicable Final Terms. This Note may be an Index Linked Redemption Note, a Share Linked Redemption Note, a Debt Linked Redemption Note, a Commodity Linked Redemption Note, an Inflation Linked Redemption Note, a Currency Linked Redemption Note, a Fund Linked Redemption Note, a Credit Linked Redemption Note, an ETI Linked Redemption Note, an Instalment Note, a Partly Paid Note or any combination thereof or, subject to all applicable laws and regulations, any one type of Note depending on the Redemption/Payment Basis specified in the applicable Final Terms.

Any reference herein to "**Physical Delivery Notes**" shall mean any Series of Notes to which Physical Settlement is specified as applying in the applicable Final Terms; otherwise settlement in respect of a Series of Notes will be by way of cash payment ("**Cash Settled Notes**").

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to "Coupons" and "Couponholders" in these Terms and Conditions are not applicable.

Subject as set out below, title to Bearer Notes, Receipts and Coupons will pass by delivery. Subject as set out below, the Issuer, the Guarantor, the Trustee and any Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Bearer Notes or the Registered Notes is represented by a global Note held on behalf of, or in the case of Registered Notes, by a common depositary on behalf of, Euroclear Bank S.A./N.V., as operator of the Euroclear system ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor (if any), the Trustee and any Paying Agent as the holder of such nominal amount of the Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant global Note or, as applicable, the registered holder (as shown in the Register, provided that, for these and for all other purposes hereunder and notwithstanding any provision to the contrary, in the event of any differences between the information contained in the Register and that contained in the Issuer Register (as defined in the Agency Agreement), the Issuer Register shall prevail) of the relevant Registered Global Note shall be treated by the Issuer, the Guarantor (if any), the Trustee and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant global Note (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Without limitation to the foregoing, in determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a global Note held on behalf of Euroclear and Clearstream, Luxembourg will be transferable only in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be. References to Euroclear or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

2. **Transfers of Registered Notes**

(a) *Transfers of interests in Registered Global Notes*

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be exchangeable for Definitive Registered Notes or for a beneficial interest in another Registered Global Note only in the Specified Denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement.

(b) *Transfers of Definitive Registered Notes*

Subject as provided in paragraph (e) below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Definitive Registered Note may be transferred in whole or in part (in the Specified Denominations set out in the applicable Final Terms). In order to effect any such transfer (i) the holder or holders must (A) surrender the Definitive Registered Note for registration of the transfer of the Definitive Registered Note (or the relevant part of the Definitive Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial regulations being set out in Schedule 2 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Definitive Registered Note of a like aggregate nominal amount to the Definitive Registered Note (or the relevant part of the Definitive Registered Note) transferred. In the case of the transfer of part only of a Definitive Registered Note, a new Definitive Registered Note in respect of the balance of the Definitive Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor. The Registrar will promptly notify the Issuer of any change made to the Register and the Issuer will, upon receipt of any such notice, update the Issuer Register accordingly.

(c) *Registration of transfer upon partial redemption*

In the event of a partial redemption of Notes under Condition 7 (*Redemption and Purchase*), the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(d) *Costs of registration*

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(e) *Exchanges and transfers of Registered Notes generally*

Holders of Definitive Registered Notes may exchange such Notes for interests in a Registered Global Note of the same type at any time. Prior of the expiry of the applicable Distribution Compliance Period (as defined below) transfers by the holder of, or of a beneficial interest in a Registered Global Note may be made to a transferee in the United States or who is a U.S. person under Regulation S (or for the account or benefit of such person) only pursuant to an exemption from the registration requirements of the Securities Act (as defined below).

(f) *Definitions*

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

"Distribution Compliance Period" means the period that ends 40 days after the completion of the distribution of the relevant Notes as determined by the relevant lead manager;

"Regulation S" means Regulation S under the Securities Act;

"Regulation S Global Note" means a Registered Global Note representing Notes sold outside the United States in reliance on Regulation S; and

"Securities Act" means the United States Securities Act of 1933, as amended.

3. **Status of the Notes; Guaranteed Notes**

(a) *Status of the Notes*

The Notes, Coupons and Receipts are secured, limited recourse obligations of the Issuer, ranking *pari passu* without any preference among themselves (unless otherwise specified in the applicable Final Terms), which are secured in the manner described in Condition 8 (*Compartment Assets*) and recourse in respect of which is limited in the manner described in Condition 8 (*Compartment Assets*) and the applicable Final Terms.

(b) *Guaranteed Notes*

If the Notes are **"Guaranteed Notes"** as specified in the applicable Final Terms, and subject to the satisfaction of the conditions set out therein and in the relevant provisions of the Supplemental Trust Deed applicable to such Notes, the payment obligations of the Issuer in respect of such Guaranteed Notes will have the benefit of a guarantee (the **"Guarantee"**) in favour of the Trustee (for itself, and as trustee for holders of such Guaranteed Notes) made by BNP Paribas or any alternative guarantor specified in the applicable Final Terms (in such capacity, each the **"Guarantor"**). The Issuer will not issue any Guaranteed Notes where the Guarantor is an entity other than BNP Paribas (other than unlisted Guaranteed Notes which are offered in such a manner such that a prospectus is not required in accordance with Article 3(2) of the Prospectus Directive) unless it has first made available a base prospectus supplement which will describe the relevant Guarantor, the terms of the Guarantee and the effect of any such Guarantee on such Notes.

Unless otherwise specified in the applicable Final Terms, the Guarantee (if applicable) constitutes an unsecured, unsubordinated and general obligation of the Guarantor and ranks and will rank (i) *pari passu* with all other existing and future unsecured, unsubordinated and general obligations of

the Guarantor, but excluding any debts for the time being preferred by law, and (ii) senior to any subordinated obligations.

(c) *Subrogation of the Guarantor*

Under the Guarantee, the Guarantor will be subrogated to any rights of the holders of the Guaranteed Notes and the Trustee against the Issuer to the fullest extent permitted by applicable law and to the extent of such payment in respect of amounts due in respect of the Notes which have been paid by the Guarantor under the Guarantee.

4. **Restrictions**

(a) The Issuer has covenanted in the Trust Deed that, *inter alia*, so long as any of the Notes remains outstanding, it will not, without the prior written consent of the Trustee:

(i) engage in any activity or do anything whatsoever, except:

- (A) issue instruments which are subject to the Securitisation Act 2004 and the enforcement and limited recourse provisions of the Trust Deed or any other relevant agreement ("**Permitted Instruments**", provided that such term shall include, without limitation, Related Agreements, warrants, certificates, Notes and Further Notes (each as defined below));
- (B) otherwise incur indebtedness (any such indebtedness, "**Permitted Indebtedness**") in respect of moneys borrowed or raised where such indebtedness is incurred on terms that it is subject to, and in compliance with, the Securitisation Act 2004 and/or is secured on assets or other property which are not part of the Charged Assets and on terms which provide for the extinguishment of all claims in respect of such indebtedness after application of the proceeds of the assets or property on which such indebtedness is secured;
- (C) enter into any deed or agreement of any kind related to any Permitted Instrument or Permitted Indebtedness, but provided always that any such deed or agreement is entered into on terms that the obligations of the Issuer thereunder relate to a compartment of specified assets of the Issuer (other than its share capital) which does not form part of the Charged Assets and on terms which provide for extinguishment of all claims in respect of such obligations after application of the assets on which such indebtedness is secured;
- (D) acquire, or enter into any agreement constituting, the collateral in respect of any Permitted Instrument or the assets securing any Permitted Indebtedness to enable it to discharge its obligations under such Permitted Instrument or Permitted Indebtedness;
- (E) perform its obligations under each Permitted Instrument or Permitted Indebtedness, or any deed or agreement incidental to the issue and constitution of, or the granting of security for, any Permitted Instrument or Permitted Indebtedness;
- (F) enforce any of its rights whether under any deed or agreement entered into in relation to any Permitted Instrument or Permitted Indebtedness;
- (G) perform any act incidental to or necessary in connection with any of the above; or
- (H) as permitted by the Conditions;

(ii) have any subsidiaries;

- (iii) have any employees;
 - (iv) dispose of any of its property or other assets or any part thereof or interest therein (subject (A) to this subparagraph (a) and (B) as provided in the terms and conditions relating to any Permitted Instrument or the terms and conditions relating to any Permitted Indebtedness);
 - (v) issue any further fungible Notes unless the trustee and/or guarantor thereof is the same person as, respectively, the Trustee and/or, as the case may be, the Guarantor for the Notes;
 - (vi) pay any dividend or make any other distribution to its members;
 - (vii) guarantee or become obligated for the debts of any other entity or hold out its credit as being available to satisfy the obligations of others;
 - (viii) pledge its assets for the benefit of any other entity or make any loans or advances to any entity (other than in respect of or in connection with Permitted Instruments and Permitted Indebtedness); or
 - (ix) consolidate or merge with any other person.
- (b) The Issuer has covenanted in the Trust Deed that, *inter alia*, save with the prior written consent of the Trustee, the Issuer shall, so long as any of the Notes remains outstanding:
- (i) maintain proper books and records, accounts and financial statements for each Compartment and for the Issuer;
 - (ii) hold itself out as a separate entity, conduct its business in its own name and maintain an arm's length relationship with its affiliates (if any);
 - (iii) notify the Trustee in writing immediately on becoming aware of the occurrence of any Event of Default or Potential Event of Default or the proposed mandatory redemption of any Note;
 - (iv) provide the Trustee with certain certificates within specified timeframes that no Event of Default or Potential Event of Default has occurred since the Certification Date of the last certificate or the date of the Trust Deed, or, if such an event has occurred, giving details of it;
 - (v) for each Series send to the Trustee at least 48 hours (if practicable) before it is to be issued the form of each notice to be given to the Noteholders and, once given, two copies of each such notice;
 - (vi) forthwith upon request by the Trustee give notice to the Noteholders of any Series of any unconditional payment to the Issuing and Paying Agent or the Trustee of any sum due in respect of the Notes, the Receipts or Coupons of such Series made after the due date for such payment;
 - (vii) in relation to each Series:
 - (A) comply and procure that each of the parties thereto complies with its obligations under the Agency Agreement, any Swap Agreement, any Deposit Agreement or any Repurchase Agreement; and
 - (B) procure that any Swap Counterparty gives the Trustee notice of any substitution of the Compartment Assets with substitute securities or cash substitute in

accordance with the terms of Condition 8(f) (*Compartment Assets substitution by Counterparty*);

- (viii) not commingle its assets with those of any other entity; and
- (ix) observe all formalities required by its memorandum and articles of association (including maintaining adequate capital for its operations).

5. **Interest**

(a) *Interest on Fixed Rate Notes*

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

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

If no Business Day Convention is specified as applicable to an Interest Period End Date in the applicable Final Terms and the Notes are in definitive form except as provided in the applicable Final Terms:

- (A) the amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Final Date in respect of such Interest Period, will amount to the Fixed Coupon Amount; and
- (B) the amount of interest payable on any other Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Interest shall be calculated by applying the Rate of Interest to: (1) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or (2) in the case of Fixed Rate Notes in definitive form, the Calculation Amount,

multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of Interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

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

- (b) *Interest on Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, Debt Linked Interest Notes, Commodity Linked Interest Notes, Inflation Linked Interest Notes, Currency Linked Interest Notes, Fund Linked Interest Notes, Credit Linked Interest Notes, ETI Linked Interest Notes, Hybrid Notes and Notes with interest linked to other Underlying References*

- (i) *Interest Period End Dates and Interest Payment Dates*

Each Floating Rate Note and, subject to the provisions of Condition 5(d) below and unless otherwise specified in the applicable Final Terms, each Index Linked Interest Note, Share Linked Interest Note, Debt Linked Interest Note, Commodity Linked Interest Note, Inflation Linked Interest Note, Currency Linked Interest Note, Fund Linked Interest Note, Credit Linked Interest Note, ETI Linked Interest Note, Hybrid Note and Notes with interest linked to other Underlying References bears interest on its nominal amount (or, if it is a Partly Paid Note, in accordance with Condition 5(e)) in respect of each Interest Period (which expression shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date to (but excluding) the next (or first) Interest Period End Date (each such latter date the "**Interest Period End Final Date**" for the relevant Interest Period)). For the purposes of this Condition 5(b), "**Interest Period End Date**" shall mean either:

- (A) the specified Interest Period End Date(s) in each year specified in the applicable Final Terms; or
- (B) if no Interest Period End Date(s) is/are specified in the applicable Final Terms, each date which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Period End Date or, in the case of the first Interest Period End Date, after the Interest Commencement Date.

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

If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (x) if there is no numerically corresponding day on the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (y) if any Interest Period End Date or Interest Payment Date, as the case may be, would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 5(b)(i)(A) above, the Floating Rate Convention, such Interest Period End Date or Interest Payment Date, as the case may be, (I) in the case of (x) above, shall be

the last day that is a Business Day in the relevant month and the provisions of (2) below shall apply *mutatis mutandis* or (II) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (aa) such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day and (bb) each subsequent Interest Period End Date or Interest Payment Date, as the case may be, shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Period End Date or Interest Payment Date, as the case may be, occurred; or

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

In these Conditions, "**Business Day**" means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and
- (b) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (any such centre, an "**Additional Business Centre**" and which, if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (ii) in relation to any sum payable in euro, a day (a "**TARGET Settlement Day**") on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("**TARGET2**") payment system which utilises a single platform and which was launched on 19 November 2007 (or, if such system ceases to be operative, such system (if any) determined by the Calculation Agent to be a suitable replacement) (the "**TARGET System**") is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, Debt Linked Notes, Commodity Linked Interest Notes, Inflation Linked Interest Notes, Currency Linked Interest Notes, Fund Linked Interest Notes, Credit Linked Interest Notes, ETI Linked Interest Notes and Notes with interest linked to other Underlying References will be determined in the manner specified in the applicable Final Terms.

(iii) *ISDA Determination*

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

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

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

(iv) *AFB Determination*

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

- (A) the Issuer was the Floating Amount Payer;
- (B) the Issuing and Paying Agent (as defined herein) was the Agent (as defined in the AFB Agreement) or as otherwise specified in the applicable Final Terms;
- (C) the Interest Commencement Date was the Transaction Date;
- (D) the lowest Specified Denomination was the Notional Amount;
- (E) the Interest Payment Dates were the Floating Amount Payment Dates; and
- (F) all other terms were as specified in the applicable Final Terms.

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

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

- (2) the Rate of Interest for such Interest Period will be the Floating Rate (as defined in the AFB Agreement) determined by the Issuing and Paying Agent in accordance with the preceding sentence; and
- (3) the Issuing and Paying Agent will be deemed to have discharged its obligations under subparagraph (vi) below if it has determined the Rate of Interest and the Interest Amount payable on such Interest Payment Date in the manner provided in the preceding sentence.

(v) *Screen Rate Determination*

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

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

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

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

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

Issuing and Paying Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, anyone or more banks (which bank or banks is or are in the opinion of the Issuer and the Issuing and Paying Agent suitable for such purpose) informs the Issuing and Paying Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR), or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) (or, as the case may be, the quotations of such bank or banks to the Issuing and Paying Agent) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

"Reference Banks" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Issuing and Paying Agent and approved in writing by the Trustee, or as specified in the applicable Final Terms.

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

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

The Issuing and Paying Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Interest Notes, Share Linked Interest Notes, Debt Linked Notes, Commodity Linked Interest Notes, Inflation Linked Interest Notes, Currency Linked Interest Notes, Fund Linked Interest Notes, Credit Linked Interest Notes, ETI Linked Interest Notes and Notes with interest linked to other Underlying References, will, on or as soon as practicable after each date on which the Rate of Interest is to be determined (the **"Interest Determination Date"**), determine the Rate of Interest (subject to any Minimum Interest Rate or Maximum Interest Rate specified in the applicable Final Terms) for the relevant Interest Period. In the case of Index Linked Interest Notes, Share Linked Interest Notes, Debt Linked Notes, Commodity Linked Interest Notes, Inflation Linked Interest Notes, Currency Linked Interest Notes, Fund Linked Interest Notes, Credit Linked Interest Notes, ETI Linked Interest Notes and Notes with interest linked to other Underlying References, the Calculation Agent will notify the Issuing and Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Issuing and Paying Agent or Calculation Agent, as applicable, will calculate the amount of interest (the **"Interest Amount"**) payable on the Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, Debt Linked Notes, Commodity Linked Interest Notes, Inflation Linked Interest Notes, Currency Linked Interest Notes, Fund Linked Interest Notes, Credit Linked Interest Notes, ETI Linked Interest Notes and Notes with interest linked to other Underlying References which are represented by a Global

Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

- (B) in the case of Floating Rate Notes, Index Linked Interest Notes, Share Linked Interest Notes, Debt Linked Notes, Commodity Linked Interest Notes, Inflation Linked Interest Notes, Currency Linked Interest Notes, Fund Linked Interest Notes, Credit Linked Interest Notes, ETI Linked Interest Notes and Notes with interest linked to other Underlying References in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the Day Count Fraction specified in the applicable Final Terms and rounding the resultant figure to the nearest sub-unit (as defined above) of the relevant Specified Currency, one half of such a sub-unit being rounded upwards or otherwise in accordance with the applicable market convention. Where the Specified Denomination of a Floating Rate Note, Index Linked Interest Note, Share Linked Interest Note, Debt Linked Note, Commodity Linked Interest Note, Inflation Linked Interest Note, Currency Linked Interest Note, Fund Linked Interest Note, Credit Linked Interest Note, ETI Linked Interest Note or a Note with interest linked to another Underlying Reference in definitive form comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

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

- (A) if **"Actual/Actual (ICMA)"** is specified in the applicable Final Terms:
- (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Period End Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **"Accrual Period"**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (x) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
 - (y) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;

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

"Determination Period" means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the Interest Period End Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

- (B) if **"Actual/Actual (ISDA)"** or **"Actual/Actual"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (C) if **"Actual/365 (Fixed)"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (D) if **"Actual/365 (Sterling)"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (E) if **"Actual/360"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (F) if **"30/360"**, **"360/360"** or **"Bond Basis"** is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

"Y1" is the year expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31 in which case D1, will be 30; and

"D2" is the calendar day expressed as a number immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

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

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

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31 in which case D1, will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30;

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

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

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 in which case D2 will be 30.

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

(vii) *Minimum and/or Maximum Interest Rate*

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

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

If the applicable Final Terms specifies a Rate Multiplier for any Interest Period, then, the Rate of Interest in respect of any such Interest Period shall be multiplied by the relevant Rate Multiplier, subject always to the Minimum and/or Maximum Rate of Interest as described above.

(viii) *Notification of Rate of Interest and Interest Amount*

The Issuing and Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Guarantor (if applicable) (such notifications to occur no later than the Business Day following such determination), (in the case of Notes which are listed on the Luxembourg Stock Exchange and where the rules of such stock exchange so require) the Luxembourg Stock Exchange and, if applicable, to any other stock exchange on which the relevant Notes are for the time being listed. In addition, the Issuing and Paying Agent (except where the relevant Notes are unlisted and are in global form and held in their entirety on behalf of Euroclear and Clearstream, Luxembourg in which event there may be substituted for such publication the delivery of such notice to Euroclear and Clearstream, Luxembourg for communication to the Noteholders) shall publish or cause to be published such Rate of Interest, Interest Amount and Interest Payment Date in accordance with Condition 18 as soon as possible after their determination but in no event later than the fifth Luxembourg Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Notes are for the time being listed and to the Noteholders in accordance with Condition 18. For the purposes of these Conditions, the expression "**Luxembourg Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for business in Luxembourg.

(ix) *Certificates to be Final*

All certificates, communications, determinations, calculations and decisions made for the purposes of the provisions of this paragraph (b) by the Issuing and Paying Agent or, if applicable, the Calculation Agent or the Trustee, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor (if applicable), the Issuing and Paying Agent, the other Paying Agents, or, if applicable, the Calculation Agent and all Noteholders, and (in the absence as aforesaid) no liability to the Noteholders shall attach to the Issuing and Paying Agent or, if applicable, the Calculation Agent or the Trustee, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Zero Coupon Notes*

Where a Zero Coupon Note becomes due and repayable prior to the Maturity Date and is not paid when due, the amount due and repayable shall be the amount determined in accordance with Condition 7(e)(iv) (*Early Redemption Amount*) at its Amortised Face Amount. As from the Maturity Date, any overdue principal of such Note shall bear interest at a rate per annum equal to the Accrual Yield (or such other rate) specified in the applicable Final Terms. Such interest shall continue to accrue (as well after as before any judgment) until the day on which all sums due in respect of such Note up to that day are received by or on behalf of the holder of such Note. Such interest will be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the actual number of days elapsed in such incomplete month or on such other basis as may be specified in the applicable Final Terms.

(d) *Interest on Index Linked Interest Notes, Share Linked Interest Notes, Debt Linked Notes, Commodity Linked Interest Notes, Inflation Linked Interest Notes, Currency Linked Interest Notes, Fund Linked Interest Notes, Credit Linked Interest Notes, ETI Linked Interest Notes and Notes with interest linked to other Underlying References*

In the case of Index Linked Interest Notes, Share Linked Interest Notes, Debt Linked Notes, Commodity Linked Interest Notes, Inflation Linked Interest Notes, Currency Linked Interest Notes, Fund Linked Interest Notes, Credit Linked Interest Notes, ETI Linked Interest Notes and Notes with interest linked to other Underlying References, where the Rate of Interest and/or the Interest Amount (whether on any Interest Payment Date, early redemption, maturity or otherwise) falls to be determined by reference to one or more Inflation or other Indices, Shares, GDRs and/or ADRs, Commodities, formulae, exchange rates, Fund Shares, units or interests (or any combination thereof) and/or otherwise, the Rate of Interest and/or the Interest Amount shall be determined in the manner specified in the applicable Final Terms.

(e) *Interest on Partly Paid Notes*

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes) interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Final Terms.

(f) *Interest Payments*

Interest will be paid subject to and in accordance with the provisions of Condition 6 (*Payments*). Interest will cease to accrue on each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) on the due date for redemption thereof unless, upon due presentation thereof, payment of principal or the payment, and/or delivery of the Entitlement (if applicable), is improperly withheld or refused, in which event interest will continue to accrue (as well after as before any judgment) at the Fixed Rate or, as the case may be, the Rate of Interest or as otherwise provided in the applicable Final Terms until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the holder of such Note and (ii) the day on which the Issuing and Paying Agent has notified the holder thereof (either in accordance with Condition 18 (*Notices*) or individually) of receipt of all sums due in respect thereof up to that date.

(g) *Determination or Calculation by Trustee*

If for any reason at any relevant time the Issuing and Paying Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest or the Issuing and Paying Agent defaults in its obligation to calculate any Interest Amount in accordance with Conditions 5(b)(ii)-(v) (inclusive) or as otherwise specified in the applicable Final Terms, as the case may be, and in each case in accordance with Condition 5(b)(vi), the Trustee shall, (or shall appoint an agent on its behalf to do so), determine the Rate of Interest at such rate as, in its sole

and absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition 5, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall (or shall appoint an agent on its behalf to do so) calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Issuing and Paying Agent or the Calculation Agent, as applicable.

"Determination Period" means each period from and including a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

"Interest Period" means, unless otherwise specified in the applicable Final Terms, the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date or such other period as is specified in the applicable Final Terms.

"Interest Rate_(i-1)" means, in respect of an Interest Period, the Rate of Interest determined by the Calculation Agent in respect of the immediately preceding Interest Period. For the avoidance of doubt, Interest Rate_(i-1) is expressed as a rate per annum, unless otherwise specified in the Final Terms.

"Issue Date" means the date specified as such on the applicable Final Terms.

(h) *Rounding generally*

In connection with the calculation of any amount payable in respect of the Notes (including, without limitation, interest) and unless otherwise provided in these Terms and Conditions or in the applicable Final Terms, such amounts will, if necessary, be rounded to the nearest sub-unit (as defined above) of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise as specified in the applicable Final Terms.

6. **Payments**

For the purposes of this Condition 6, references to payment or repayment (as the case may be) of principal and/or interest and other similar expressions will, where the context so admits, be deemed also to refer to physical delivery of any Entitlement.

(a) *Method of Payment*

(i) *Bearer Notes*

Payments of principal and interest (if any) in respect of the Definitive Bearer Notes will (subject as provided below) be made against presentation or surrender of such Bearer Notes or Coupons, as the case may be, at any specified office of any Paying Agent. Payments of principal in respect of instalments (if any), other than the last instalment, will (subject as provided below) be made against surrender of the relevant Receipt. Payment of the last instalment will be made against surrender of the relevant Bearer Note. Each Receipt must be presented for payment of such instalment together with the relevant Definitive Bearer Note against which the amount will be payable in respect of that instalment. If any Definitive Bearer Notes are redeemed or become repayable prior to the Maturity Date in respect thereof, principal will be payable on surrender of each such Note together with all unmatured Receipts appertaining thereto. Unmatured Receipts and Receipts presented without the Definitive Bearer Notes to which they appertain do not constitute obligations of the Issuer. All payments of interest and principal with respect to

Bearer Notes will be made only against presentation and surrender of the relevant Bearer Notes, Coupons or Receipts outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Subject as provided below and subject also as provided in the applicable Final Terms, payments in respect of definitive Notes denominated in a Specified Currency (other than euro) will (subject as provided below) be made by a cheque in the Specified Currency drawn on, or, at the option of the holder and upon 15 days' prior notice to the Issuing and Paying Agent, by transfer to an account in the Specified Currency maintained by the payee with, a bank in the principal financial centre of the country of the Specified Currency. Payments in euro will be made by credit or transfer to a euro account or any other account to which euro may be credited or transferred specified by the payee or, at the option of the payee, by euro-cheque. The applicable Final Terms may also contain provisions for variation of settlement where, for reasons beyond the control of the Issuer or any Noteholder (including, without limitation, unlawfulness, illegality, impossibility, force majeure, non-transferability or the like, each a "**Payment Disruption Event**"), the Issuer is not able to make, or any Noteholder is not able to receive, as the case may be, payment on the due date and in the Specified Currency of any amount of principal or interest due under the Notes.

Fixed Rate Bearer Notes in definitive form should be presented for payment with all unmatured Coupons appertaining thereto (which expression shall include Coupons to be issued on exchange of Talons which will have matured on or before the relevant redemption date), failing which the full amount of any missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount of such missing unmatured Coupon which the sum so paid bears to the total amount due) will be deducted from the sum due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon within a period of 10 years from the Relevant Date (as defined in Condition 9 (*Taxation*)) for the payment of such sum due for payment, whether or not such Coupon has become void pursuant to Condition 10 (*Prescription*) or, if later, five years from the due date for payment of such Coupon. Upon any Fixed Rate Bearer Note becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the due date for redemption of any Floating Rate Note, Index Linked Note, Share Linked Note, Debt Linked Note, Commodity Linked Note, Inflation Linked Note, Currency Linked Note, Fund Linked Note, Credit Linked Note or ETI Linked Note in definitive bearer form all unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them. Where any Floating Rate Note, Index Linked Note, Share Linked Note, Debt Linked Note, Commodity Linked Note, Inflation Linked Note, Currency Linked Note, Fund Linked Note, Credit Linked Note or ETI Linked Note is presented for redemption without all unmatured Coupons appertaining thereto, payment of all amounts due in relation to such Note shall be made only against the provision of such indemnity of the Issuer or the Guarantor (if applicable).

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to, and including, the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 14 (*Replacement of Notes, Receipts, Coupons and Talons*). Each Talon shall, for

the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

(ii) *Registered Notes*

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and/or any other relevant Clearing System are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date (in each case, the "**Record Date**"). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the principal amount of the Notes held by a holder is less than U.S.\$250,000 (or integral multiples of U.S.\$1,000 in excess thereof) (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the Record Date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

Neither the Issuer, the Guarantor (if applicable), the Trustee nor any of the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(iii) *Global Notes*

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will be made in the manner specified above and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside of the United States. A record of each payment made on such Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which such Global Note is presented for the purpose of making such payment, and such record shall be prima facie evidence that the payment in question has been made.

The holder of the relevant Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the payment obligations of the Issuer or the Guarantor (if applicable) will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg as the holder of a particular nominal amount of Notes must look solely to Euroclear and/or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of the relevant Global Note. No person other than the holder of the relevant Global Note shall have any claim against the Issuer or the Guarantor (if applicable) in respect of any payments due on that Global Note.

If any date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, then the holder thereof shall not be entitled to payment of the amount due until the next following Payment Day and shall not be entitled to any interest or other sum in respect of any such delay.

For these purposes, "**Payment Day**" means any day which (subject to Condition 10 (*Prescription*)) is:

a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

- (A) the relevant place of presentation (in the case of Notes that are Definitive Bearer Notes);
- (B) each Financial Centre specified in the applicable Final Terms; and
- (C) in relation to any sum payable in euro, a day on which the TARGET System is open. If the due date for redemption of any interest bearing Note in definitive form is not a due date for the payment of interest relating thereto, interest accrued in respect of such Note from (and including) the last preceding due date for the payment of interest (or from the Interest Commencement Date) will be paid against surrender of such Note.

The names of the initial Issuing and Paying Agent and the other initial Paying Agents and their initial specified offices are set out below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents and/or to approve any change in the specified office of any Paying Agent, provided that:

- (1) so long as any Notes are listed on any stock exchange, there will at all times be a Paying Agent, which may be the Issuing and Paying Agent (in the case of Bearer Notes) and a Transfer Agent, which may be the Registrar (in the case of Registered Notes) with a specified office in the place required by the rules and regulations of the relevant stock exchange; and
- (2) there will at all times be a Issuing and Paying Agent and a Registrar; and
- (3) the Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusion of the ECOFIN Council

meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

Payments in respect of the Notes will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9.

(b) *Physical Delivery*

(i) *Physical Delivery*

(A) *Asset Transfer Notices*

In relation to Notes to be redeemed by delivery or (in the case of Credit Linked Notes) Delivery of the Entitlement(s) ("**Entitlement**" shall be as set out in the Final Terms), in order to obtain delivery or Delivery of the Entitlement in respect of any Note, the relevant Noteholder must:

- (1) if such Note is represented by a Global Note, the relevant Noteholder must deliver to Euroclear or Clearstream, Luxembourg (as applicable), with a copy to the Issuing and Paying Agent and any entity appointed by the Issuer to deliver or Deliver, as the case may be, the Entitlement on its behalf (the "**Delivery Agent**") not later than the close of business in each place of reception on the Cut-Off Date, a duly completed asset transfer notice (an "**Asset Transfer Notice**") in the form set out in the Agency Agreement; and
- (2) if such Note is in definitive form, the relevant Noteholder must deliver (I) if this Note is a Bearer Note, to any Paying Agent or (II) if this Note is a Registered Note, to the Registrar or any Paying Agent, in each case, with a copy to the Issuing and Paying Agent and the Delivery Agent (as defined above) not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice in the form set out in the Agency Agreement.

For the purposes hereof, "**Cut-off Date**" means the date specified as such in the applicable Final Terms or if not so specified (a) in respect of a Note that is not a Credit Linked Note, the fifth Business Day immediately preceding the Maturity Date or (b) in respect of a Credit Linked Note, the first Business Day immediately preceding the Settlement Date.

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

An Asset Transfer Notice may only be delivered (I) if such Note is represented by a Global Note, in such manner as is acceptable to Euroclear or Clearstream, Luxembourg, as the case may be, or (II) if such Note is in definitive form, in writing.

If this Note is in definitive form, this Note must be delivered together with the duly completed Asset Transfer Notice.

The Asset Transfer Notice shall:

- (aa) specify the name, address and contact telephone number of the relevant Noteholder and the person from whom the Issuer or Delivery Agent may obtain details for the delivery or Delivery of the Entitlement;

- (bb) specify the series number of the Notes and the number of Notes which are the subject of such notice;
- (cc) in the case of Notes represented by a Global Note, specify the nominal amount of Notes which are the subject of such notice and the number of the Noteholder's account at the relevant Clearing System to be debited with such Notes and irrevocably instruct and authorise the relevant Clearing System to debit the relevant Noteholder's account with such Notes on or before the Delivery Date or (in the case of Credit Linked Notes) the Settlement Date;
- (dd) include an undertaking to pay all Expenses and, in the case of Notes represented by a Global Note, an authority to the relevant Clearing System to debit a specified account of the Noteholder with the relevant Clearing System in respect thereof and to pay such Expenses;
- (ee) include such details as are required for delivery or Delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered or Delivered and specify the name and number of the Noteholder's account to be credited with any cash payable by the Issuer, including pursuant to Credit Linked Condition 4, in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver and the Issuer (following a notification to such effect from the Calculation Agent) electing to pay the Disruption Cash Redemption Amount or Failure to Deliver Redemption Amount, as applicable, or as a result of the Issuer (following a notification to such effect from the Calculation Agent) electing to pay the Alternate Cash Redemption Amount;
- (ff) certify that the beneficial owner of each Note is not a U.S. person (as defined in the Asset Transfer Notice), the Note is not being redeemed within the United States or on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any redemption thereof; and
- (gg) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

If Condition 6(b)(ii) (*Variation of Settlement*) applies, the form of Asset Transfer Notice required to be delivered will be different from that set out above. Copies of such Asset Transfer Notice may be obtained from the Registrar or any Paying Agent.

(B) *Verification of the Noteholder*

In the case of Notes represented by a Global Note, upon receipt of an Asset Transfer Notice, the relevant Clearing System shall verify that the person delivering the Asset Transfer Notice is the holder of the Notes described therein according to its records. Subject thereto, the relevant Clearing System will confirm to the Issuing and Paying Agent the series number and number of Notes

the subject of such notice, the relevant account details and the details for the delivery of the Entitlement of each Note. Upon receipt of such confirmation, the Issuing and Paying Agent will inform the Issuer and any Delivery Agent thereof. The relevant Clearing System will on or before the Delivery Date or Settlement Date, as the case may be, debit the securities account of the relevant Noteholder with the relevant Notes.

(C) *Determinations and Delivery*

Any determination as to whether an Asset Transfer Notice is duly completed and in proper form shall be made, in the case of Notes represented by a Global Note, by the relevant Clearing System or, in the case of Notes in definitive form, by the relevant Paying Agent or the Registrar, as the case may be, or in each case in consultation with the Issuing and Paying Agent, and shall be conclusive and binding on the Issuer, the Guarantor (if applicable), the Issuing and Paying Agent(s), any Delivery Agent and the relevant Noteholder. Subject as set out below, any Asset Transfer Notice so determined to be incomplete or not in proper form, or which is not copied to the Issuing and Paying Agent and any Delivery Agent immediately after being delivered or sent as provided in paragraph (A) above, shall be null and void.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of, in the case of Notes represented by a Global Note, the relevant Clearing System, or, in the case of Notes in definitive form, by the relevant Paying Agent or the Registrar, as the case may be, or in each case in consultation with the Issuing and Paying Agent, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered as provided above.

No Asset Transfer Notice may be withdrawn after receipt thereof by the relevant Clearing System, the Registrar or a Paying Agent, as the case may be, as provided above. After delivery of an Asset Transfer Notice, the relevant Noteholder may not transfer the Notes which are the subject of such notice.

The Entitlement will be delivered at the risk of the relevant Noteholder, in the manner provided below on the date fixed for redemption (such date, subject to adjustment in accordance with this Condition, the "**Delivery Date**") or in the case of Credit Linked Notes Delivered at the risk of the relevant Noteholder, in the manner provided below on the Settlement Date, provided that the Asset Transfer Notice is duly delivered as provided above on or prior to the Cut-Off Date.

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

The Issuer (or any Delivery Agent on its behalf) shall at the risk of the relevant Noteholder, deliver or procure the delivery of the Entitlement for each Note or (in the case of Credit Linked Notes) Deliver the Deliverable Obligations comprising the Entitlement, pursuant to the details specified in the Asset Transfer Notice or in

such commercially reasonable manner as the Calculation Agent shall in its sole discretion determine and notify to the person designated by the Noteholder in the relevant Asset Transfer Notice. All costs, taxes, duties and/or expenses including stamp duty, stamp duty reserve tax and/or other costs, duties or taxes ("**Expenses**") arising from the delivery of the Entitlement or the Delivery of the Deliverable Obligations comprising the Entitlement, as the case may be, in respect of such Notes shall be for the account of the relevant Noteholder and no delivery of the Entitlement or the Delivery of the Deliverable Obligations comprising the Entitlement, as the case may be, shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Noteholder.

(D) *General*

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

Following the Delivery Date of a Share all dividends on the relevant Shares to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares executed on the Delivery Date and to be delivered in the same manner as such relevant Shares. Any such dividends to be paid to a Noteholder will be paid to the account specified by the Noteholder in the relevant Asset Transfer Notice as referred to in Condition 6(b)(i)(A) (*Asset Transfer Notices*).

For such period of time after delivery or Delivery of the Entitlement as the Issuer or any person acting on behalf of the Issuer shall continue to be the legal owner of the securities or Deliverable Obligations comprising the Entitlement (the "**Intervening Period**"), none of the Issuer, the Guarantor (if applicable), the Paying Agents, the Registrar, any Delivery Agent or any other person shall at any time (i) be under any obligation to deliver or procure delivery to any Noteholder any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such securities, obligations or Deliverable Obligations, (ii) be under any obligation to exercise or procure exercise of any or all rights attaching to such securities, obligations or Deliverable Obligations or (iii) be under any liability to a Noteholder in respect of any loss or damage which such Noteholder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening Period as legal owner of such securities, obligations or Deliverable Obligations.

(E) *Settlement Disruption*

The provisions of this Condition 6(b)(i)(E) apply to Notes other than Credit Linked Notes.

If, in the opinion of the Calculation Agent, delivery of the Entitlement using the method of delivery specified in the applicable Final Terms or such commercially reasonable manner as the Calculation Agent has determined is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and

continuing on the Delivery Date, then the Delivery Date shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event, provided that, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by delivering the Entitlement using such other commercially reasonable manner as it may select and in such event the Delivery Date shall be such day as the Issuer deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Entitlement, the Delivery Date for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Delivery Date. For so long as delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by payment to the relevant Noteholder of the Disruption Cash Redemption Amount (as defined below) on the fifth Business Day following the date that notice of such election is given to the Noteholders in accordance with Condition 18 (*Notices*). Payment of the Disruption Cash Redemption Amount will be made in such manner as shall be notified to the Noteholders in accordance with Condition 18 (*Notices*). The Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 18 (*Notices*) that a Settlement Disruption Event has occurred. No Noteholder shall be entitled to any payment in respect of the relevant Note in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer.

For the purposes hereof:

"Disruption Cash Redemption Amount", in respect of any relevant Note, shall be the fair market value of such Note (taking into account, where the Settlement Disruption Event affected some but not all of the Relevant Assets comprising the Entitlement and such non affected Relevant Assets have been duly delivered as provided above, the value of such Relevant Assets), less the cost to the Swap Counterparty and/or its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion;

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

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

"Relevant Asset" means the Relevant Asset specified in the applicable Final Terms.

(F) *Additional Provisions for Credit Linked Notes*

In the case of Credit Linked Notes, the provisions contained in Annex 9 - "Additional Terms and Conditions for Credit Linked Securities" will apply.

(ii) *Variation of Settlement*

- (A) If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Notes, the Issuer may, at its sole and unfettered discretion in respect of each such Note, elect not to pay the relevant Noteholders the Final Redemption Amount or to deliver or procure delivery of the Entitlement to the relevant Noteholders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Final Redemption Amount on the Maturity Date to the relevant Noteholders, as the case may be. Notification of such election will be given to Noteholders in accordance with Condition 18 (*Notices*).
- (B) If specified in the applicable Final Terms, the Issuer shall, in respect of each Note, in lieu of delivering or procuring the delivery of the Entitlement to the relevant Noteholders, make payment of the Final Redemption Amount on the Maturity Date to the relevant Noteholders.

(iii) *Issuer's Option to Substitute Assets or to pay the Alternate Cash Redemption Amount*

Notwithstanding any provision of these Conditions to the contrary, the Issuer may, in its sole and absolute discretion in respect of such Notes, if the Calculation Agent determines (in its sole and absolute discretion) that the Relevant Asset or Relevant Assets, as the case may be, comprises shares which are not freely tradeable, elect either (A) to substitute for the Relevant Asset or the Relevant Assets, as the case may be, an equivalent value (as determined by the Calculation Agent in its sole and absolute discretion) of such other shares which the Calculation Agent determines, in its sole and absolute discretion, are freely tradeable (the "**Substitute Asset**" or the "**Substitute Assets**", as the case may be) or (B) not to deliver or procure the delivery of the Entitlement or the Substitute Asset or Substitute Assets, as the case may be, to the relevant Noteholders, but in lieu thereof to make payment to the relevant Noteholder on the Settlement Date of an amount equal to the fair market value as determined by the Calculation Agent (unless otherwise specified) (the "**fair market value**") of the Entitlement on the Valuation Date as determined by the Calculation Agent in its sole and absolute discretion by reference to such sources as it considers appropriate (the "**Alternate Cash Redemption Amount**"). Notification of any such election will be given to Noteholders in accordance with Condition 18 (*Notices*) and in the event that the Issuer elects to pay the Alternate Cash Redemption Amount such notice shall give details of the manner in which such amount shall be paid.

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

(iv) *Rights of Noteholders and Calculations*

None of the Issuer, the Guarantor (if applicable), the Trustee, the Calculation Agent, any Delivery Agent and the Agents shall have any responsibility for any errors or omissions in any calculation or determination in respect of the Notes.

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

(c) *Currency unavailability*

This Condition shall apply when payment is due to be made in respect of any Note, Receipt or Coupon in the Specified Currency (other than where the Specified Currency is euro) and the Specified Currency is not available to the Issuer or the Guarantor (as applicable) due to the imposition of exchange controls, the Specified Currency's replacement or disuse or other circumstances beyond the control of the Issuer or the Guarantor (as applicable) ("**Currency Unavailability**"). In the event of Currency Unavailability, the Issuer or the Guarantor (as applicable) will be entitled to satisfy its obligations to the holder of such Note, Receipt or Coupon by making payment in euro on the basis of the spot exchange rate at which the Specified Currency is offered in exchange for euro in an appropriate inter-bank market at noon, Paris time, four Business Days prior to the date on which payment is due or, if such spot exchange rate is not available on that date, as of the most recent prior practicable date. Any payment made in euro in accordance with this paragraph will not constitute an Event of Default.

7. **Redemption and Purchase**

(a) *Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms (or, in the case only of Physical Delivery Notes to which Physical Settlement is applicable, where the applicable Final Terms specifies that such Notes will be redeemed by payment and/or delivery of a physical delivery of the Entitlement, by the payment and the delivery of the Entitlement specified in, or determined in the manner specified in, the applicable Final Terms) in the relevant Specified Currency on the Maturity Date.

(b) *Final Terms*

The Final Terms applicable to the Notes indicate either:

- (i) that the Notes cannot be redeemed prior to their Maturity Date (except as otherwise provided in paragraphs (f), (l) and (m) below and in Condition 11 (*Events of Default*)); or
- (ii) that such Notes will be redeemable at the option of the Issuer and/or the Noteholders prior to such Maturity Date in accordance with the provisions of paragraphs (c) and/or (d) below on the date or dates and at the amount or amounts indicated in the applicable Final Terms.

(c) *Redemption at the Option of the Issuer*

If the Issuer is specified in the applicable Final Terms as having an option to redeem, the Issuer may, having (unless otherwise specified in the applicable Final Terms) given not less than 15 nor more than 30 days' notice, in accordance with Condition 18 (*Notices*), to the Noteholders (with a copy to the Trustee) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date(s) and at the Optional Redemption Amount(s) each as specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date(s). Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, both as indicated in the applicable Final Terms.

In the case of a partial redemption of Notes, the Notes to be redeemed will be selected individually by lot (in the case of Notes represented by Notes in definitive form) and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg in the case of Notes represented by a global Note held on behalf of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in nominal

amount, at their discretion) and in accordance with the rules of the relevant securities depository and any relevant provisions in the applicable Final Terms (in the case of Registered Notes), in each case not more than 30 days prior to the date fixed for redemption (the "**Selection Date**"). In the case of Notes represented by Notes in definitive form, a list of the serial numbers of such Notes will be published in accordance with Condition 18 (*Notices*) not less than 15 days prior to the date fixed for redemption. No exchange of the relevant global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 18 (*Notices*) at least ten days prior to the Selection Date.

In respect of any Note, any notice given by the Issuer pursuant to this Condition 7(c) shall be void and of no effect in relation to that Note in the event that, prior to the giving of such notice by the Issuer, the holder of such Note had already delivered a Put Notice (as defined in Condition 7(d) (*Redemption at the Option of the Noteholders*) below) in relation to that Note in accordance with Condition 7(d) (*Redemption at the Option of the Noteholders*).

(d) *Redemption at the Option of the Noteholders*

If the Noteholders are specified in the applicable Final Terms as having an option to require the Issuer to redeem any Note, upon the holder of any Note giving to the Issuer in accordance with Condition 18 (*Notices*) not less than 15 nor more than 30 days' notice or such other period of notice as is specified in the applicable Final Terms the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to but excluding the Optional Redemption Date. It may be that before an option to require the Issuer to redeem any Note can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

To exercise the right to require redemption of a Note, the holder of such Note must, if the Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a "**Put Notice**") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 7(d) and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2 (*Transfers of Registered Notes*). If this Note is in definitive form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to the order or under its control. If the Note is represented by a global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of the Note the holder of the Note must, within the notice period, give notice to the Issuing and Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depository for them to the Issuing and Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if the Note is represented by a global Note, at the same time present or procure the presentation of the relevant global Note to the Issuing and Paying Agent for notation accordingly.

Any Put Notice given by a holder of any Note pursuant to this paragraph (d) shall be:

- (i) irrevocable except where prior to the due date of redemption an Event of Default has occurred and the Trustee has declared the Notes to be due and payable pursuant to Condition 11 (*Events of Default*), in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph (d); and
- (ii) void and of no effect in relation to such Note in the event that, prior to the giving of such Put Notice by the relevant holder (A) such Note constituted a Redeemed Note, or (B) the Issuer had notified the Noteholders of its intention to redeem all of the Notes then outstanding, in each case pursuant to Condition 7(c) (*Redemption at the Option of the Issuer*).

(e) *Early Redemption Amounts*

For the purposes of paragraphs (f), (l) and (m) below and Condition 11 (*Events of Default*), the Final Terms may specify that the Notes will be redeemed at the Early Redemption Amount calculated by the Calculation Agent in accordance with the following (or may specify an alternative calculation method):

- (i) in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- (ii) in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the Final Terms, at their nominal amount; or
- (iii) in the case of Notes to which Physical Settlement is applicable, as determined in the manner specified in the applicable Final Terms; or
- (iv) in the case of Zero Coupon Notes, at an amount (the "**Amortised Face Amount**") equal to the sum of:
 - (A) the Reference Price specified in the applicable Final Terms; and
 - (B) the product of the Accrual Yield specified in the applicable Final Terms (compounded annually) being applied to the Reference Price from and including the Issue Date to but excluding the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable; or
- (v) if Liquidation Proceeds is specified in the applicable Final Terms as the Early Redemption Amount, the Issuer shall appoint an agent to sell or otherwise realise the Charged Assets (the "**Disposal Agent**") which shall be the Calculation Agent (or such other party as may be agreed by the Issuer and the Trustee provided that, for the avoidance of doubt, the Disposal Agent may not be the Issuer) and the Early Redemption Amount in respect of each Note shall be the *pro rata* share of the Liquidation Proceeds. "**Liquidation Proceeds**" shall be an amount, subject to a maximum equal to the Liquidation Proceeds Cap, equal to the amounts received by or on behalf of the Issuer upon the sale or realisation of the Charged Assets (including, without limitation, any termination payment received by the Issuer under the relevant Swap Agreement and/or the amount received by the Issuer in respect of the Charged Assets on the redemption date, expiration date or other date for final payment in respect of the Charged Assets) after the deduction of any fees (including, without limitation, any legal fees), costs, expenses and taxes incurred by the Disposal Agent (for itself and on behalf of the Issuer), in respect of the sale or realisation of the Charged Assets and the early redemption of the Notes, any due and unpaid fees,

costs and expenses of the Trustee and the Agents and any amounts due to be paid to the Swap Counterparty under the Swap Agreement. "**Liquidation Proceeds Cap**" means (A) in case of redemption of the Notes as a result of an Early Redemption Event, the Final Redemption Amount (calculated on the basis that any reference to the Maturity Date in relation to the determination thereof shall be deemed to be a reference to the Early Redemption Date) that would have been payable but for the occurrence of the Early Redemption Event; or (B) following a Note Acceleration, the Final Redemption Amount (calculated on the basis that any reference to the Maturity Date in relation to the determination thereof shall be deemed to be a reference to the date on which notice of the Note Acceleration was given by the Trustee in accordance with Condition 11 (*Events of Default*)) that would have been payable but for the occurrence of the Event of Default. In respect of Notes bearing interest, notwithstanding anything to the contrary herein, the Early Redemption Amount, as determined by the Calculation Agent in accordance with this Condition 7(e)(v) shall include any accrued interest to (but excluding) the relevant early redemption date and apart from any such interest included in the Early Redemption Amount, no interest, accrued or otherwise, or any other amount whatsoever will be payable by the Issuer in respect of such redemption. Unless otherwise specified in the applicable Final Terms, the Early Redemption Amount will be "Liquidation Proceeds" as defined above.

(f) *Redemption following Swap Counterparty optional termination*

Where "**Swap Counterparty optional termination - Call option**" is specified as being applicable in the Final Terms:

- (i) within two Business Days of service by the Swap Counterparty of a notice that it has opted to terminate a Swap Agreement in whole or in part on the next following Interest Payment Date, the Issuer shall notify the relevant Noteholders in accordance with Condition 18 (*Notices*) of the early redemption of the Notes in whole or in part on such Interest Payment Date and, subject to the relevant provisions of Condition 7(l) (*Early Redemption Events*), shall redeem the relevant Notes at their principal amount outstanding plus interest accrued thereon to such Interest Payment Date on such Interest Payment Date; or
- (ii) within two Business Days of service by the Swap Counterparty of a notice that it has opted to terminate a Swap Agreement on any other date (where it has such right as so specified in the Final Terms) nominated by the Swap Counterparty (the "**Nominated Termination Date**"), the Issuer shall notify the relevant Noteholders in accordance with Condition 18 (*Notices*) of the early redemption of the Notes on such Nominated Termination Date and subject to Condition 7(l) (*Early Redemption Events*) shall redeem the Notes at their principal amount outstanding plus interest accrued thereon to such Nominated Termination Date on such Nominated Termination Date.

If any such redemption becomes due to be made by the Issuer in accordance with this Condition 7 and payment to the Noteholders pursuant hereto is not made, the security constituted by the Trust Deed shall become enforceable and the Trustee may take such action as is provided in Condition 11 (*Events of Default*) or the Trust Deed.

(g) *Instalments*

If the Notes are repayable in instalments, they will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (e) above.

(h) *Partly Paid Notes*

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise in accordance with the provisions of this Condition 7 as amended or varied by the information specified in the applicable Final Terms.

(i) *Purchases*

If the Issuer has satisfied the Trustee that it has made arrangements for the realisation of no more than the equivalent proportion of the Compartment Assets, for the repayment of no more than the equivalent proportion of any amount deposited under any Deposit Agreement, for the termination of no more than the equivalent proportion of any Swap Agreement and for the purchase of the Notes, which transaction will leave the Issuer with no net liabilities in respect thereof, the Issuer may at any time purchase Notes (provided that, in the case of Definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise, in accordance with applicable laws and regulations. The Trustee will accept as evidence of the satisfaction of the criteria to such purchase a certificate (which it may rely on without further enquiry) of the Issuer confirming such arrangements and confirming that the remaining Charged Assets are sufficient to secure the Issuer's remaining obligations in respect of the remaining Notes. If required by any applicable law or regulation, Notes purchased by or on behalf of the Issuer will be surrendered for cancellation (within one Business Day of such purchase), in the case of Bearer Notes, by surrendering any such Note, together with, in the case of Definitive Bearer Notes, any unmatured Receipts and Coupons appertaining thereto, to a Paying Agent and, in the case of Registered Notes, by surrendering the certificate representing such Notes to the Registrar.

In such circumstances:

- (A) the Issuer and the Secured Parties will be deemed to have consented to the release of the security in respect of that proportion of the Charged Assets that corresponds to the principal amount outstanding of the Notes so purchased;
- (B) unless an Event of Default or Potential Event of Default (as defined in the Trust Deed) has occurred and the Trustee has actual notice of such occurrence, such proportion of the Charged Assets shall be deemed to have been released from the security created under the Supplemental Trust Deed.

(j) *Cancellation*

All Notes which are redeemed or purchased by the Issuer will forthwith be cancelled (together with, in the case of Definitive Bearer Notes, all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption), and may not be reissued or resold (including where, on an early termination of any Total Return Swap Agreement, in lieu of making a termination payment to the Issuer, the TRS Counterparty satisfied its obligations to pay such amount by delivery to the Issuer of a number of Notes equal to the TRS Holding at the date on which the Total Return Swap Agreement terminated by no later than the next date on which the Issuer is due to make a payment under the Notes). Upon such cancellation, in the case of Notes which are admitted to trading on the regulated market of the Luxembourg Stock Exchange and listed on the Official List of the Luxembourg Stock Exchange, the Issuer will forthwith inform the Luxembourg Stock Exchange of such cancellation. All Notes so cancelled and any Notes purchased and cancelled pursuant to paragraph (i) above (together with, in the case of Definitive Bearer Notes, all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Issuing and Paying Agent or, in the case of Registered Notes, the Registrar, and cannot be reissued or resold.

"**TRS Holding**" means, at any time, the number of Notes held by the TRS Counterparty or any Affiliate at such time, which are designated by the TRS Counterparty on the Issue Date as forming part of the TRS Holding ("**Designated Notes**") and any other Notes which the TRS Counterparty or any Affiliate subsequently purchases and notifies the Issuer and the Repo Counterparty (if any) that such Notes shall form part of the TRS Holding ("**Notified TRS Notes**") less any number of Notes which were Notified TRS Notes or Designated Notes but which the TRS Counterparty or any Affiliate thereof sells to investors and notifies the Issuer and the Repo Counterparty (if any) that such Notes shall no longer form part of the TRS Holding. Upon delivery by the TRS Counterparty to the Issuer under the Total Return Swap Agreement of the Notes forming the TRS Holding following termination of such Total Return Swap Agreement, the TRS Holding will be zero.

(k) *Late Payment on Zero Coupon Notes*

Except as provided in the applicable Final Terms, if the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note, except for Registered Notes, pursuant to paragraphs (c), (d), (f), (l) or (m) or upon its becoming due and repayable as provided in Condition 11 (*Events of Default*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(iv) above as though the references therein to the date fixed for the redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of the Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Issuing and Paying Agent or the Trustee and notice to that effect has been given to the Noteholders in accordance with Condition 18 (*Notices*).

(l) *Early Redemption Events*

The applicable Final Terms may specify that any of the following events applies. If any does so apply then in each case, in the event that the Calculation Agent notifies the Issuer and (if applicable) the Guarantor in writing (with a copy to the Trustee, on which notification the Trustee shall rely without further investigation or enquiry) that it has determined that one or more (as applicable) of the following events (each, an "**Early Redemption Event**") has occurred:

- (i) there is a payment default in respect of any of the Charged Assets (other than the relevant Swap Agreement) (an "**Asset Payment Default Event**");
- (ii) the issuer or primary obligor in respect of any of the Compartment Assets (each, a "**Compartment Assets Issuer**") or any guarantor of the Compartment Assets Issuer's obligations in respect of any Compartment Assets fails to perform or observe any of its other obligations under the relevant Compartment Assets and the failure continues after the expiration of any applicable grace period (an "**Asset Default Event**"); or
- (iii) any of the Compartment Assets is, for any reason, redeemed or otherwise terminated prior to its scheduled redemption or termination date (an "**Asset Redemption Event**"); or
- (iv) there is a payment default in respect of any of the Charged Assets (other than the relevant Swap Agreement) or the aggregate amount received by the Issuer in respect of the Charged Assets on the redemption date, expiration date or other date for final payment in respect of the Charged Assets is less than the aggregate of the Final Redemption Amounts payable by the Issuer in respect of the Notes (an "**Asset Payment Shortfall Event**"); or

- (v) on or after the Trade Date, (A) due to the adoption of any change in any applicable law or regulation (including, without limitation, any tax law) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority or brought in a court of competent jurisdiction), either (1) any amount is required to be deducted or withheld for or on account of any tax, levy, impost, duty, charge, assessment or fee of any nature imposed by any government or other taxing authority in respect of any payment to be received by the Issuer under one or more Compartment Assets or (2) the Issuer becomes obliged to pay any amount for or on account of any tax, levy, impost, duty, charge, assessment or fee of any nature imposed by any government or other taxing authority in respect of (I) any payment received by the Issuer under one or more Compartment Asset or (II) holding, acquiring or disposing of any Compartment Asset (a "**Compartment Tax Event**"); or
- (vi) the early termination of any Swap Agreement (or any other agreement specified as a Related Agreement in the Final Terms) entered into in respect of the Notes other than where the Issuer is the Defaulting Party (as defined in the relevant Swap Agreement) thereunder and the relevant event of default relates to the insolvency of the Issuer or under the Notes or due to the purchase by the Issuer of all the outstanding Notes of a series (a "**Related Agreement Termination Event**");
- (vii) where an Annex to these Conditions is applicable, and/or in accordance with Condition 7(o)(B) below, the Calculation Agent notifies the Issuer that an event has occurred in respect of which the Calculation Agent in its sole and absolute discretion determines it is not possible to make an adjustment in respect of such event and that the Notes should be redeemed early as contemplated in either (A) such Annex or (B) Condition 7(o)(B), as the case may be (an "**Annex Early Redemption Event**");
- (viii) on or after the Trade Date, (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any law or regulation in respect of tax, solvency or capital requirements), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing or financial authority), or the combined effect thereof if occurring more than once, the Issuer or the Calculation Agent determines in its sole and absolute discretion that it has become illegal for (1) the Issuer to perform its obligations in respect of any Notes or the Swap Counterparty to perform its obligations in respect of any Swap Agreement, (2) for the Issuer to hold, acquire or dispose of relevant hedge positions relating to any Notes or for the Swap Counterparty to hold, acquire or dispose of relevant hedge positions relating to any Swap Agreement save where such an event in (A) or (B) would constitute an Additional Disruption Event or an Optional Additional Disruption Event (in the case of Index Linked Notes, Share Linked Notes, Commodity Linked Notes, Currency Linked Notes or ETI Linked Notes) or an Extraordinary Fund Event (in the case of Fund Linked Notes) or an Extraordinary ETI Event (in the case of ETI Linked Notes) or the Notes are Inflation Index Linked Notes, or (3) for the Issuer to hold, acquire or dispose of any Compartment Assets (a "**Compartment Change in Law Event**"); or
- (ix) such other circumstances set out in the applicable Final Terms (each an "**Additional Early Redemption Event**"),

the Issuer shall forthwith give not more than 30 nor less than 15 days' notice (which notice shall be irrevocable) to the Trustee and the Noteholders pursuant to Condition 18 (*Notices*) prior to the specified date of redemption that it intends to redeem the Notes in accordance with this Condition 7(l), and upon the expiry of such notice, the Issuer shall redeem all, but not some only, of the Notes at their Early Redemption Amount, together, if appropriate, with accrued interest to (but

excluding) the date of redemption specified in the relevant notice (the "**Early Redemption Date**"), provided that, where Maturity Date Extension applies as set out in Condition 7(n) (*Maturity Date Extension*), such redemption shall take place in accordance with Condition 7(n).

(m) *Redemption for taxation and other reasons*

- (i) If so specified in the Final Terms, then if the Issuer, on the occasion of the next payment due in respect of the Notes, would be required by law to withhold or account for tax or would suffer tax in respect of its income or payments so that it would be unable to make payment of the full amount due, the Issuer shall so inform the Trustee and the Swap Counterparty in writing and shall use all reasonable endeavours to arrange the substitution of a company incorporated in another jurisdiction approved in writing by the Trustee and the Swap Counterparty as the principal obligor or to change (to the satisfaction of the Trustee and the Swap Counterparty) its residence for taxation purposes to another jurisdiction approved in writing by the Trustee and the Swap Counterparty and, if it is unable to arrange such substitution or change before the next payment is due in respect of the Notes, the Issuer shall forthwith give not more than 30 nor less than 15 days' notice (unless otherwise specified in the Final Terms) to the Trustee and the Noteholders (which notice shall be irrevocable), and upon expiry of such notice shall redeem all but not some only of the Notes at their Early Redemption Amount together with interest (if any) accrued to the date fixed for redemption. Such notice shall be given promptly upon the occurrence of any of the above events.
- (ii) Where this Condition 7(m) is specified as being applicable in the applicable Final Terms, if (x) a Swap Agreement is terminated in whole for any reason save for where Condition 7(f) (*Redemption following Swap Counterparty optional termination*) is applicable and the Swap Counterparty exercises its rights to terminate the Swap Agreement according to its terms or a Repurchase Agreement is terminated for any reason, or a Deposit Agreement is terminated for any reason in each case save where the Issuer has purchased all the Notes pursuant to, and in accordance with, Condition 7(i) (*Purchases*); or (y) the Issuer satisfies the Trustee (by the provision of such certificates and opinions as the Trustee deems necessary) that the performance of its obligations under the Notes or that any arrangements made to hedge its position under the Notes have or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, then the Issuer shall forthwith give not more than 25 nor less than 10 days' notice (unless otherwise specified in the Final Terms) to the Trustee, the Noteholders and the Swap Counterparty (which notice shall be irrevocable) and on the expiry of such notice shall redeem all but not some only of the Notes at their Early Redemption Amount together with interest (if any) accrued to the date fixed for redemption. Such notice shall be given promptly upon the occurrence of either of the above events and such redemption made, unless the Trustee shall certify to the Issuer that it considers in its absolute discretion that it is in the interests of the holders of the Notes that such notice and redemption be delayed or not given or made, as the case may be, or an Extraordinary Resolution of the holders of the Notes shall otherwise direct.

(n) *Maturity Date Extension*

Where:

- (A) "**Maturity Date Extension**" is specified in the applicable Final Terms as being applicable on the Early Redemption Date (or on the Maturity Date if the Early Redemption Event occurs on such date); and/or

- (B) Swap Termination Without Redemption is specified in the applicable Final Terms as being applicable, a Swap Default has occurred and the Issuer has not received any Early Termination Amount (as defined in the Swap Agreement) due to it in the manner set out in Condition 8(k) (*Swap termination*) on or prior to the Maturity Date,

the terms of this Condition 7(n) shall apply as set out below, provided that, where sub-clause (B) applies and no Early Redemption Event has also occurred, the provisions of Conditions 7(n)(i), 7(n)(ii), 7(n)(vi) and 7(n)(vii) only shall apply.

- (i) Where the Issuer has not received in full the amount it is scheduled to receive on or prior to such date in respect of any of the Charged Assets relating to the relevant Notes (such assets, the "**Non-Performing Assets**") it shall, on the Early Redemption Date or the Maturity Date, as the case may be, pay any amounts it has received in respect of the Charged Assets *pro rata* to the Noteholders (provided that all amount(s) which are to be deducted from such amounts in accordance with the definition of Liquidation Proceeds have been paid in full or, where a Swap Default has occurred and Swap Termination Without Redemption applies and no Early Redemption Event has also occurred, the amounts which are to be deducted as set out in Condition 8(k) (the "**Deduction Amounts**")) and redemption in full of the Notes will be postponed until the date specified in the applicable Final Terms as the "Extended Maturity Date" (the "**Extended Maturity Date**"), provided that if during the Extension Period the Calculation Agent gives at least three Business Days' notice to the Issuer that the Calculation Agent, in its sole discretion, has determined that the Issuer will not receive any further amounts in respect of the Non-Performing Assets and that it will not be possible to realise any further amounts in respect of the Non-Performing Assets, the date on which such notice expires shall be deemed to be the actual Extended Maturity Date and no further amounts shall be paid by the Issuer in respect of the Notes following such date.
- (ii) On each day in the Extension Period falling three Business Days after the receipt of any amounts by the Issuer in respect of any Non-Performing Asset, the Issuer shall procure that such amounts are paid *pro rata* to the Noteholders as set out in Condition 7(n)(v) and provided that the Deduction Amounts have been paid in full.
- (iii) The Issuer shall appoint an agent (which may be the Swap Counterparty, provided the Swap Counterparty is not the obligor in respect of a relevant Non Performing Asset, or the Trustee or any other party which the Issuer may appoint with the consent of the Trustee) to assist it in recovering amounts in respect of the Non Performing Assets (a "**Realisation Agent**"). Any fees, costs and expenses charged and incurred by the relevant Realisation Agent will be deducted from the amounts available to pay Noteholders or any other Secured Party which is entitled to such amounts.
- (iv) If "Sale of Assets" is specified in the applicable Final Terms and there is a Non-Performing Asset, the Issuer shall, at the request of the Calculation Agent, procure that any Non-Performing Asset and any other Charged Asset in respect of the relevant Compartment (or the Issuer's rights thereto) which the Issuer is requested by the Calculation Agent to sell shall be sold by the relevant Disposal Agent prior to the Extended Maturity Date and the proceeds from such sale (less any costs or expenses incurred in such sale) will be applied in accordance with the terms of this Condition 7(n) and, if the Calculation Agent determines, in its discretion acting reasonably, that such sale is not possible in respect of any Non-Performing Asset, it shall be deemed that the amount received in respect of such Non-Performing Asset is equal to zero.
- (v) The total amount received in respect of the Charged Assets in the period from, and including, the Maturity Date or the Early Redemption Date, as the case may be, to, but excluding, the Extended Maturity Date (the "**Extension Receipts**") shall be deemed to form part of the Liquidation Proceeds as set out in Condition 7(e) provided that, to the

extent amounts are owed to Secured Parties other than the Noteholders in respect of the relevant Series of Notes, the Issuer shall apply the Extension Receipts in accordance with the applicable Order of Priority which would apply following a Note Acceleration in respect of the Notes and any reference to amounts being paid to the Noteholders in this Condition 7(n) shall be construed accordingly.

(vi) No interest shall accrue on the Notes for the period from, and including, the Maturity Date or the Early Redemption Date, as the case may be, to, and including, the Extended Maturity Date if redemption of the Notes in whole or in part is postponed to the Extended Maturity Date in accordance with this Condition 7(n) unless specified otherwise in the applicable Final Terms.

(vii) As used in this Condition 7(n), "**Extension Period**" means the period from, but excluding, the Maturity Date or the Early Redemption Date to, and including, the Extended Maturity Date.

(o) *Additional Disruption Events and Optional Additional Disruption Events*

In respect of Debt Linked Notes any reference in this Condition 7(o) to "Share" and "Share Company" shall be deemed to be references to "Debt Instruments" and "Debt Instrument Issuer" respectively in respect of such Debt Linked Notes.

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

"**Cancellation Event**" means, that in the determination of the Calculation Agent, all or some of the Debt Instruments are redeemed prior to their stated maturity date for any reason, and as a result thereof it is impossible, impracticable or unduly onerous for (i) the Issuer to hedge the Issuer's obligations in respect of the Notes and/or (ii) the Swap Counterparty or its Affiliates to hedge the Swap Counterparty's obligations in respect of the Swap Agreement;

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

(a) it has become illegal for the Issuer, the Swap Counterparty and/or any of the Swap Counterparty's Affiliates to hold, acquire or dispose of any relevant hedge position relating to an Index (in the case of Index Linked Notes), any relevant hedge position relating to a Share (in the case of Share Linked Notes), any relevant hedge position relating to an ETI (in the case of ETI Linked Notes), any relevant hedge position relating to a Commodity or Commodity Index (in the case of Commodity Linked Notes) or any relevant hedge position relating to a Fund Share (in the case of Fund Linked Notes) (each a "**Hedge**"); or

(b) the Swap Counterparty or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency or capital requirements) in performing its obligations in respect of the Swap Agreement or in holding, acquiring or disposing of any Hedge;

"**Currency Event**" means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or the Swap Counterparty or any of the Swap

Counterparty's Affiliates (a) to convert the relevant currency ("**Local Currency**") in which the Index, the Shares or the Debt Instruments or any options or futures contracts or other hedging arrangement in relation to the Index, the Shares or the Debt Instruments (for the purposes of hedging the Issuer's obligations under the Notes or the Swap Counterparty's obligations in respect of the Swap Agreement) are denominated, into the Settlement Currency, or exchange or repatriate any funds in the Local Currency or the Settlement Currency outside of the country in which the Index, the Shares or the Debt Instruments or any options or futures contracts in relation to the Index, the Shares or the Debt Instruments respectively are traded due to the adoption of, or any change in, any applicable law, rule, regulation, judgment, order, directive or decree of any Government Authority or otherwise, or (b) for the Calculation Agent to determine a rate or (in the determination of the Calculation Agent) a commercially reasonable rate at which the Local Currency can be exchanged for the Settlement Currency for payment under the Notes;

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

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

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

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

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

"Hedging Shares" means the number of components comprised in an Index (in the case of Index Linked Notes), or the number of Shares (in the case of Share Linked Notes) that the Swap Counterparty and/or any of its Affiliates deems necessary to hedge the equity or

other price risk of entering into and performing its obligations with respect to the Swap Agreement;

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

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

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

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

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

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

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

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

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

- (B) If an Additional Disruption Event and/or an Optional Additional Disruption Event occurs (other than in respect of Failure to Deliver due to Illiquidity), the Calculation Agent may take the action described in (a) or, if applicable, (b), (c), (d) or (e) below, as the case may be, provided that where the circumstances giving rise to such Additional Disruption Event and/or Optional Additional Disruption Event result in a determination, adjustment or calculation being made in respect of the relevant Swap Agreement, the Calculation Agent shall, to the extent applicable, make the corresponding determination, adjustment or calculation in respect of the Notes:
- (a) determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and/or Optional Additional Disruption Event and determine the effective date of that adjustment;
 - (b) unless Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event is specified in the applicable Final Terms, on giving notice to Noteholders in accordance with Condition 18 of the Notes (*Notices*), notify the Issuer and the Issuer shall redeem all but not some only of the Notes, each Note being redeemed by payment of an amount equal to the fair market value of a Note taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less the cost to the Swap Counterparty and/or its Affiliates of unwinding any underlying related hedging arrangements (unless provided for otherwise in the applicable Final Terms), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 18 of the Notes (*Notices*); or
 - (c) if Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event is specified as being applicable in the applicable Final Terms, calculate the fair market value of each Note, taking into

account the Additional Disruption Event and/or Optional Additional Disruption Event, less the cost to the Swap Counterparty and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Additional Disruption Amount**") as soon as practicable following the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event (the "**Calculated Additional Disruption Amount Determination Date**") and on the Maturity Date the Issuer shall redeem each Note at an amount calculated by the Calculation Agent equal to (x) the Calculated Additional Disruption Amount plus interest accrued from and including the Calculated Additional Disruption Amount Determination Date to but excluding the Maturity Date at a rate equal to (unless specified otherwise in the applicable Final Terms) zero per cent. or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, its nominal amount; or

- (d) in the case of Index Linked Notes linked to a Custom Index, use commercially reasonable efforts to select a successor index with a substantially similar formula for and method of calculation as the Custom Index within twenty (20) Scheduled Custom Index Business Days of the occurrence of the relevant Additional Disruption Event or Optional Additional Disruption Event and, upon selection of such successor index (the "**Successor Index**"), promptly notify the Issuer and the Issuer will give notice to the Noteholders in accordance with Condition 18 of the Notes (*Notices*) and such index shall become the Successor Index and deemed to be a "Custom Index" for the purposes of the Notes and the Calculation Agent will make such adjustment, if any, to one or more of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for the substitution. Such substitution and any relevant adjustment to the Terms and Conditions and/or the applicable Final Terms will be deemed to be effective as of the date selected by the Calculation Agent in its sole and absolute discretion which may, but need not be the date on which the relevant Additional Disruption Event or Optional Additional Disruption Event occurred; or
- (e) in the case of Share Linked Notes linked to a Basket of Shares, adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each a "**Substitute Share**") for each Share (each an "**Affected Share**") which is affected by the Additional Disruption Event and/or Optional Additional Disruption Event and the Substitute Share will be deemed to be a "Share" and the relevant issuer of such shares a "Basket Company" for the purposes of the Notes, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Notes are Physical Delivery Notes) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Notes was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

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

where:

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

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

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

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

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

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

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

If a Failure to Deliver due to Illiquidity occurs:

- (X) subject as provided elsewhere in the Terms and Conditions of the Notes, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Maturity Date in accordance with Condition 6(b) (*Physical Delivery*); and
- (Y) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof, the Calculation Agent may, in its sole discretion, require that the Issuer satisfies its obligations in respect of the relevant Notes by payment to the relevant Noteholders of the Failure to Deliver Settlement Price on the fifth Business Day following the date that notice of such election is given to the Noteholders in accordance with Condition 18 (*Notices*). Payment of the Failure to Deliver Redemption Amount will be made in such manner as shall be notified to the Noteholders in accordance with Condition 18 (*Notices*).

For the purposes hereof:

"Failure to Deliver Redemption Amount" means, in respect of any relevant Note, the fair market value of such Note (taking into account the Relevant Assets comprising the Entitlement which have been duly delivered as provided above), less the cost to the Swap Counterparty and/or its Affiliates and/or the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion (or, where as provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion).

- (C) Notwithstanding any other provision of these Conditions, in exercising its discretion in the manner set out in Condition 7(o)(B) above, the Calculation Agent shall, to the extent applicable to the relevant Notes, take into account any corresponding or similar determination or selection or any other adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Additional Disruption Event or Optional Additional Disruption Event.

- (D) Upon the occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable and the Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 18 (*Notices*) stating the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.
- (E) In determining to take a particular action as a result of an Additional Disruption Event or Optional Additional Disruption Event, the Calculation Agent is under no duty to consider the interests of Noteholders or any other person. In making any determination as to which action to take following the occurrence of an Additional Disruption Event or Optional Additional Disruption Event, none of the Calculation Agent, the Issuer or the Swap Counterparty shall be responsible for any loss (including liability in respect of interest), underperformance or opportunity cost suffered or incurred by Noteholders or any other person in connection with the Notes as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Notes.

8. **Compartment Assets**

(a) *Compartment Assets*

- (i) In respect of any Series of Notes, "**Compartment**" shall mean the compartment created by the Board of the Issuer pursuant to the Securitisation Act 2004 under which the Notes are to be issued. Each Compartment will comprise a pool of Issuer assets and liabilities separate from the pools of Issuer assets and liabilities relating to any other Compartments. In respect of any Series of Notes, such assets will consist of the Charged Assets (as defined in Condition 8(c) (*Compartment Security*) below), which Charged Assets may include, *inter alia*, the assets described in the applicable Final Terms as "Compartment Assets" (the "**Compartment Assets**").
- (ii) Subject to the Trust Deed (but without prejudice to the rights of the Issuer under Condition 7(n) (*Maturity Date Extension*)), in order to meet any part of its obligations under the Notes in respect of (A) any redemption thereof, (B) any Related Agreements, (C) any agreements for the purchase of the Notes or (D) any other payments (if any) due from the Issuer under these Conditions and/or the Trust Deed in relation to the Notes), the Issuer may, at any time, procure the liquidation of some or all of the Compartment Assets.
- (iii) In accordance with the Securitisation Act 2004, the Charged Assets are available exclusively to satisfy the rights of the Secured Parties (as defined in Condition 8(e) (*Application of Proceeds*)).
- (iv) In connection with the issue of the Notes there may be executed one or more interest rate and/or currency exchange agreements, credit default swap agreements, swap agreements exchanging payment flows on an asset, total return swap agreements, option agreements and/or other derivative transactions (each a "**Swap Agreement**") between the Issuer and one or more swap counterparties (each a "**Swap Counterparty**") and one or more deposit agreements (each a "**Deposit Agreement**") between the Issuer and one or more deposit counterparties (each a "**Deposit Counterparty**") and one or more repurchase agreements (each a "**Repurchase Agreement**") with BNP Paribas or any other entity as specified in the Final Terms (each a "**Repo Counterparty**" and, together with each Swap Counterparty and Deposit Counterparty, each a "**Counterparty**"). In addition, in connection with any issue of Notes, the Issuer and the Swap Counterparty may enter into a credit support annex, credit support deed or pledge or such other security interest governed by the law of such jurisdiction as specified in the applicable Final Terms over collateral in favour of the Issuer in connection with any relevant Swap Agreement (a

"**Credit Support Annex**", a "**Credit Support Deed**" and a "**Pledge**" respectively and, together with the Swap Agreement, the Deposit Agreement and the Repurchase Agreement, the "**Related Agreements**").

- (v) Where no reference is made in the Supplemental Trust Deed to any Swap Agreement, Repurchase Agreement or Deposit Agreement, references in these Terms and Conditions to any such document or agreement and to any Swap Counterparty, Repo Counterparty or Counterparty, as the case may be, shall not be applicable.
- (b) *Custodian; Custody Account; Account Bank; Compartment Account*
 - (i) Each Custody Account (as defined below), together with such Compartment Assets as are capable of being so held, will be held by the Custodian on behalf of the Issuer, and each Compartment Account (as defined below) will be held by the Account Bank, in each case on and subject to (A) the terms and conditions of the Agency Agreement, (B) the Securitisation Act 2004 and (C) in the cases of the Compartment Assets, the Custody Account and the Compartment Account, the terms and conditions of the Compartment Security created pursuant to the Trust Deed and/or any Additional Security Document. Unless otherwise specified in the applicable Final Terms, the Issuer reserves the right to replace the Custodian at any time, but only with the prior written consent of the Trustee and in accordance with (x) the provisions of the Securitisation Act 2004 and (y) the relevant CSSF instructions and/or guidelines. Notice of such change shall be given to the Noteholders in accordance with Condition 18 (*Notices*). If it is specified in the applicable Final Terms that there is a Sub-Custodian in relation to the Compartment Assets, such Sub-Custodian (which expression shall include any additional or successor sub-custodians from time to time appointed) shall hold such Compartment Assets as are capable of being so held on behalf of the Custodian, on and subject to the terms of an agreement between the Sub-Custodian and the Custodian. References herein to the "**Custodian**" shall, as the context requires, be construed as references to the Custodian, the Sub-Custodian and/or any additional or successor custodians appointed from time to time.
 - (ii) If the Charged Assets of the Issuer in respect of a Compartment include Compartment Assets, in respect of such Compartment the Custodian (on behalf of the Issuer) shall establish and maintain an account in the name of the Issuer (the "**Custody Account**") with a bank or other financial institution (which shall be the Custodian unless otherwise specified in the applicable Final Terms). The Custody Account for the Compartment shall be entirely separate from any other accounts of the Issuer and the Custodian, including, without limitation, the accounts established in connection with any other Compartment(s). Such Compartment Assets shall only be removed from the Custody Account at such times and in such amounts as are contemplated in these Terms and Conditions and the Trust Deed or in order for the Issuer (or any appointee on its behalf) and the Trustee (or any receiver) to fulfil their respective obligations under the Notes and pursuant to the Trust Deed.
 - (iii) If the Charged Assets of the Issuer in respect of a Compartment include a Deposit Agreement, or otherwise if specified in the applicable Final Terms, in respect of such Compartment the Issuer shall establish and maintain an account in the name of the Issuer (the "**Compartment Account**") with a bank or other financial institution (which shall be the Account Bank unless otherwise specified in the applicable Final Terms). The Compartment Account for the Compartment shall be entirely separate from any other accounts of the Issuer and the Account Bank, including, without limitation, the accounts established in connection with any other Compartment(s). Amounts standing to the credit of the Compartment Account shall only be removed from the Compartment Account at such times and in such amounts as are contemplated in these Terms and Conditions and the Trust Deed or in order for the Issuer (or any appointee on its behalf) and the Trustee

(or any receiver) to fulfil their respective obligations under the Notes and pursuant to the Trust Deed.

(c) *Compartment Security*

- (i) The Issuer has (as specified in the Supplemental Trust Deed relating to the Notes or in another relevant security document relating to the Notes), assigned or created a first fixed charge, and/or other security interest, in each case in favour of the Trustee for itself and as trustee for the Secured Parties, over or in respect of:
 - (A) the present and future Compartment Assets relating to the relevant Compartment and all of the Issuer's rights, title, interest and benefit, present and future, in respect of sums derived from the present and future Compartment Assets relating to the relevant Compartment (including, without limitation, any proceeds of the sale thereof);
 - (B) (x) the Issuer's rights, title, interest and benefit, present and future, in, to and under all sums held by the Agents, the Account Bank (including sums standing to the credit of the Compartment Account) and the Custodian to meet payments due in respect of the Notes relating to the relevant Compartment (the "**Cash Assets**"); (y) any sums of money, securities or other property received or receivable by the Issuer under any Related Agreement (including, without limitation, any Swap Agreement, any Deposit Agreement and any Repurchase Agreement) relating to the relevant Compartment; and (z) all of the Issuer's rights, title, interest and benefit, present and future, as against the Custodian in respect of any sum standing to the credit of the Custody Account (as defined in Condition 8(b) (*Custodian; Custody Account, Account Bank; Compartment Account*)) relating to the relevant Compartment); and
 - (C) the Issuer's rights, title, interest and benefit, present and future, in, to and under any Transaction Document (including without limitation any Swap Agreement, any Deposit Agreement and any Repurchase Agreement) and any agreement for the sale, transfer and/or delivery of assets relating to the relevant Compartment (as contemplated under Condition 8(a) (*Compartment Assets*)) and any sums received or receivable by the Issuer under any such agreement.
- (ii) If it is stated in the applicable Final Terms that the security for the Notes is "Charged Assets charged to Trustee; additional foreign law security", the Issuer has in the Supplemental Trust Deed created the security specified in sub-paragraph (i) above and has, in addition and without prejudice to the security specified as aforesaid, executed in favour of the Trustee the pledge or security or other agreement or document specified in the applicable Final Terms (each an "**Additional Security Document**").
- (iii) The security described in sub-paragraph (i) and, as the case may be, sub-paragraph (ii) shall be referred to herein as the "**Compartment Security**" and the assets described in sub-paragraph (i) and, as the case may be, sub-paragraph (ii) shall be referred to herein as the "**Charged Assets**".

(d) *General provisions relating to security*

Unless otherwise specified in the applicable Final Terms, the Compartment Security constituted or created pursuant to the Trust Deed and any Additional Security Document will be granted to the Trustee for itself and for the other Secured Parties (as defined in Condition 8(e) (*Application of Proceeds*)) as continuing security for (i) the payment of all sums due to the Trustee or any appointee or any receiver under the Trust Deed and/or any Additional Security Document or due under the Notes, Coupons or Receipts, (ii) the performance of the Issuer's obligations under any

Related Agreement (including any Swap Agreement) and (iii) the payment of all sums payable to the Agents pursuant to any provision of the Agency Agreement (including the provisions which require the Issuer to reimburse (and to pay interest on the amount reimbursed as provided in the Agency Agreement) to the Issuing and Paying Agent or the Registrar for any amount paid out by the Issuing and Paying Agent or the Registrar, as the case may be, to the holders of Notes, Coupons or Receipts before receipt of the corresponding amount due from the Issuer).

(e) *Application of Proceeds*

- (i) The Trustee shall (subject to the provisions of the Trust Deed) apply all moneys received by it under the provisions of the Trust Deed and any Additional Security Document in connection with the realisation or enforcement as described in Condition 12 (*Enforcement and Realisation*) of the Compartment Security constituted by or pursuant to the Trust Deed and any Additional Security Document in accordance with the Order of Priority specified in the applicable Final Terms (such amounts being the "**Available Enforcement Proceeds**").
- (ii) By subscribing to or otherwise acquiring the Notes, each Noteholder expressly consents to the provisions of this Condition 8(e), the order of priority specified in the applicable Final Terms (the "**Order of Priority**") and the limitation of its rights in accordance with article 64 of the Securitisation Act 2004 and is deemed to have accepted and agreed to such provisions and the consequences thereof. If no Order of Priority is specified in the applicable Final Terms, the Order of Priority shall be Swap Counterparty Priority as set out below.
- (iii) If:
 - (A) "**Swap Counterparty Priority**" is specified in the applicable Final Terms, Available Enforcement Proceeds shall be applied as follows (as amended if specified in the applicable Final Terms):
 - (1) first, the proceeds of realisation of the securities held in the Compartment Account will be applied to the extent required to meet any termination payment due to the Repo Counterparty under the Repurchase Agreement (if any);
 - (2) secondly, in payment or satisfaction of the Trustee's remuneration and the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in preparing and executing the trusts in the Trust Deed in relation to the Notes (including, but not limited to, any taxes required to be paid and the costs of realising any security and payment of any indemnity claims of the Trustee);
 - (3) thirdly, in payment or satisfaction of each of the Agents' fees, costs, charges, expenses and liabilities incurred pursuant to the Agency Agreement;
 - (4) fourthly, rateably in meeting the claims (if any) of the Swap Counterparty under each Swap Agreement relating to the Notes. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment;
 - (5) fifthly, rateably in meeting the claims (if any) of the holders of Notes, Coupons and Receipts. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata*

on the basis of the amount due to each party entitled to such payment;
and

(6) sixthly, in payment of the balance (if any) to the Issuer;

(B) **"Pari Passu Ranking"** is specified in the applicable Final Terms, Available Enforcement Proceeds shall be applied as follows (as amended if specified in the applicable Final Terms):

(1) first, the proceeds of realisation of the securities held in the Compartment Account will be applied to the extent required to meet any termination payment due to the Repo Counterparty under the Repurchase Agreement (if any);

(2) secondly, in payment or satisfaction of the Trustee's remuneration and the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in preparing and executing the trusts in the Trust Deed in relation to the Notes (including, but not limited to, any taxes required to be paid and the costs of realising any security and payment of any indemnity claims of the Trustee);

(3) thirdly, in payment or satisfaction of each of the Agents' fees, costs, charges, expenses and liabilities incurred pursuant to the Agency Agreement;

(4) fourthly, rateably in meeting the claims (if any) of the Swap Counterparty under each Swap Agreement and the holders of Notes, Coupons and Receipts. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment;
and

(5) fifthly, in payment of the balance (if any) to the Issuer; and

(C) **"Noteholder Priority"** is specified in the applicable Final Terms, Available Enforcement Proceeds shall be applied as follows (as amended if specified in the applicable Final Terms):

(1) first, the proceeds of realisation of the securities held in the Compartment Account will be applied to the extent required to meet any termination payment due to the Repo Counterparty under the Repurchase Agreement (if any);

(2) secondly, in payment or satisfaction of the Trustee's remuneration and the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in preparing and executing the trusts in the Trust Deed in relation to the Notes (including, but not limited to, any taxes required to be paid and the costs of realising any security and payment of any indemnity claims of the Trustee);

(3) thirdly, in payment or satisfaction of each of the Agents' fees, costs, charges, expenses and liabilities incurred pursuant to the Agency Agreement;

(4) fourthly, rateably in meeting the claims (if any) of the holders of Notes, Coupons and Receipts. If the moneys received by the Trustee are not

enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment;

- (5) fifthly, rateably in meeting the claims (if any) of the Swap Counterparty under each Swap Agreement. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment; and
- (6) sixthly, in payment of the balance (if any) to the Issuer.

"Secured Parties" means, unless otherwise specified in the applicable Final Terms, each of the Trustee, any receiver, the Noteholders, the Swap Counterparty and the Agents (each, a **"Secured Party"**).

(f) *Compartment Assets substitution by Swap Counterparty*

Where this Condition 8(f) is specified as being applicable in the Final Terms then the Compartment Assets may be substituted in whole or in part by the Swap Counterparty.

The Swap Counterparty may substitute the Compartment Assets for:

- (i) either securities denominated in the currency specified in the Final Terms issued by the entity specified as the eligible collateral issuer (each, an **"Eligible Compartment Assets Issuer"**) in the Final Terms (**"Eligible Compartment Assets Issuer Obligations"**); or
- (ii) such other securities, obligations or an amount of cash in the currency in which the principal amount of the existing Compartment Assets is expressed to be payable where **"Alternative Substitution"** is specified in the Final Terms.

The new securities, obligations or cash to be substituted must be in a principal amount equal (or, if in another currency, the equivalent to the principal amount of the currency in which the Compartment Assets are expressed to be payable, as determined on the date of such substitution by the Swap Counterparty in its sole discretion) to (unless otherwise specified in the applicable Final Terms) the then fair market valuation of the Notes as determined by the Swap Counterparty (or, in the case of a substitution or redemption of part only of the Compartment Assets, of the relevant proportion thereof as at the date of such substitution).

The securities, obligations or cash which may be substituted for the Compartment Assets shall be delivered (or paid, in the case of cash) by the Swap Counterparty to the Custodian or, if so specified in the applicable Final Terms, the Counterparty.

By making any substitution pursuant to this Condition 8(f) the Swap Counterparty shall be deemed to agree with the Issuer and the Trustee that its obligations under the relevant Swap Agreement shall continue in full force and effect irrespective of such substitution and that no termination or adjustment to its obligations thereunder shall occur as a consequence of such substitution.

The Trustee shall, upon notice from the Swap Counterparty (upon which the Trustee may rely without further enquiry) that the conditions for substitution referred to in this Condition 8(f) are met, release the Compartment Assets to be substituted from the security created in respect of it under the Trust Deed. The Issuer, the Trustee and the Swap Counterparty will upon such substitution enter into such further documentation as may be required (if at all) by any applicable law and/or as may be required by the Trustee to give effect to the creation of security over any replacement securities, obligations or cash amounts in the manner set out in this Condition 8(f).

References in these Conditions and the Trust Deed to **"Compartment Assets"** shall be deemed to include any substituted Compartment Assets and references to **"Charged Assets"** shall be deemed

to include any additional assets or rights charged or assigned in favour of the Trustee pursuant to such substitution.

If specified in the Final Terms, the Issuer shall give notice of any substitution to Noteholders under this Condition 8(f) in accordance with Condition 18 (*Notices*) and, in relation to any Notes listed on the Luxembourg Stock Exchange, to the Luxembourg Stock Exchange (or if listed on another stock exchange to such other stock exchange) and will, if required by the rules of the Luxembourg Stock Exchange (or of such other stock exchange), prepare a supplemental prospectus or such other documents as may be required.

If this Condition 8(f) is applicable, the Trustee and any Noteholders may at any time require the Issuer to notify them of the composition of the Compartment Assets at such time.

The Swap Counterparty may substitute the Compartment Assets in accordance with this Condition 8(f) without regard to the projected market value of substitute securities or obligations. There is no guarantee that the value of such Compartment Assets in the event of termination of the relevant Swap Agreement, taking into account any termination payment due under such Swap Agreement to or from the Swap Counterparty, will equal or exceed the principal amount of the Notes.

(g) *Compartment Assets substitution under a Credit Support Annex, Credit Support Deed or Pledge*

Where the Issuer and the Swap Counterparty have entered into a Credit Support Annex in respect of any Swap Agreement, then the Compartment Assets may be substituted in whole or in part by the Swap Counterparty in accordance with the terms of the Credit Support Annex.

The securities, obligations or cash which may be substituted for the Compartment Assets shall be delivered (or paid, in the case of cash) by the Swap Counterparty to the Custodian (or, where an alternative bank or institution is specified as custodian for the Compartment Assets in the applicable Final Terms, to such entity) or, if so specified in the applicable Final Terms, the Counterparty.

By making any substitution pursuant to this Condition 8(g), the Swap Counterparty shall be deemed to agree with the Issuer and the Trustee that its obligations under the relevant Swap Agreement shall continue in full force and effect irrespective of such substitution and that no termination or adjustment to its obligations thereunder shall occur as a consequence of such substitution.

In the case of Compartment Assets substitution under a Credit Support Annex, the Trustee shall, upon notice from the Swap Counterparty (upon which the Trustee may rely without further enquiry) that the conditions for substitution referred to in this Condition 8(g) are met, release the Compartment Assets to be substituted from the security created in respect of it under the Trust Deed. The Issuer, the Trustee and the Swap Counterparty will upon such substitution enter into such further documentation as may be required (if at all) by any applicable law and/or as may be required by the Trustee to give effect to the creation of security over any replacement securities, obligations or cash amounts in the manner set out in this Condition 8(g).

After any substitution, references in these Conditions and the Trust Deed to "**Compartment Assets**" shall be deemed to include any Compartment Assets substituted and references to "**Charged Assets**" shall be deemed to include any additional assets or rights charged or assigned in favour of the Trustee pursuant to such substitution.

Where substitution of the Compartment Assets takes place in accordance with the terms of any credit support annex, the Issuer shall not be obliged to give notice of any substitution to Noteholders under this Condition 8(g).

If this Condition 8(g) is applicable, the Trustee may at any time require the Issuer to notify it of the composition of the Compartment Assets at such time.

Where the Issuer and the Swap Counterparty have entered into a Credit Support Deed in respect of any Swap Agreement, the collateral secured under the relevant Credit Support Deed may be substituted in whole or in part by the Swap Counterparty in accordance with the terms of the relevant Credit Support Deed.

Where the Issuer and the Swap Counterparty have entered into a Pledge in respect of any Swap Agreement, the assets that are the subject of the relevant Pledge may be substituted in whole or in part by the Swap Counterparty in accordance with the terms of the relevant Pledge.

The Swap Counterparty may substitute the Compartment Assets in accordance with this Condition 8(g) without regard to the projected market value of substitute securities or obligations. There is no guarantee that the value of such Compartment Assets in the event of termination of the relevant Swap Agreement, taking into account any termination payment due under such Swap Agreement to or from the Swap Counterparty, will equal or exceed the principal amount of the Notes.

(h) *Swap Counterparty optional termination*

Where this Condition 8(h) is specified as being applicable in the Final Terms, the Swap Counterparty may (unless it is the Defaulting Party under, and as defined in, the relevant Swap Agreement) opt to terminate a Swap Agreement in whole or in part in accordance with either or both of the methods set out below (as specified in the Final Terms).

(i) *Call option:*

The Swap Counterparty may opt to terminate a Swap Agreement:

in whole or in part on either:

(A) any Interest Payment Date; or

(B) if so specified in the Final Terms, on any other date,

upon the number of Business Days notice specified as being applicable in the Final Terms to the Issuer.

Such optional termination will lead to early redemption in whole or in part, as the case may be, of the Notes on the relevant Interest Payment Date (or, if applicable, on such other date) in the manner set out in Condition 7(f) (*Redemption Following Swap Counterparty Termination*) or in such other manner as may be specified in the Final Terms.

(ii) *Repurchase:*

The Swap Counterparty may opt to terminate a Swap Agreement upon service of written notice on the Issuer with a copy to the Trustee, in whole or in part and without payment by either party, if any of the Notes to which that transaction relates are purchased by or on behalf of the Swap Counterparty or any of its subsidiaries or affiliates ("**Purchased Notes**"). Where such option is exercised, such Swap Agreement will terminate *pro rata* in the proportion (the "**Proportion**") that the aggregate principal amount of the Purchased Notes bears to the aggregate principal amount of the Notes outstanding immediately prior to the purchase of the Purchased Notes by the Swap Counterparty or any of its subsidiaries or affiliates. Upon service of such notice, the Swap Counterparty will be either (A) authorised by the Issuer to take delivery of and/or deliver and/or realise on the Issuer's behalf the Proportion of the Charged Assets (if any) charged to or otherwise secured in favour of the Trustee under the Trust Deed or (B) entitled to payment of an amount equal to the Proportion of the Charged Assets where the Charged Assets is constituted by cash ("**Realised Collateral**"). The Realised Collateral will be payable or deliverable, as the case may be, by the Issuer to or to the order of the Swap Counterparty, in the contractual

currency paid by the Issuer under the relevant Swap Agreement (where the Realised Collateral is not being delivered). Upon receipt of the Realised Collateral, the Swap Counterparty will deliver to the Issuing and Paying Agent the Purchased Notes for cancellation. In such circumstances:

- (1) the Issuer will be deemed to have consented to the Trustee releasing the Realised Collateral to the Swap Counterparty upon termination of the relevant Swap Agreement in the manner described in this Condition 8(h);
- (2) where relevant, the Swap Counterparty, on behalf of the Issuer, will be deemed to be authorised by the Issuer to realise the Proportion of the Charged Assets; and
- (3) the Trustee will, unless an Event of Default or a Potential Event of Default (as defined in the Trust Deed) has occurred, be deemed to release the Realised Collateral from the security created in respect of it under the Supplemental Trust Deed.

(i) *Residual Shortfall*

In the case of Notes (but without prejudice to the rights of a holder of Guaranteed Notes under the Guarantee), if the net proceeds of the realisation or enforcement of the Charged Assets created pursuant to the Trust Deed and/or any Additional Security Document in respect of the Charged Assets following payment of all prior ranking amounts (the "**Net Proceeds**") are not sufficient to make all payments due in respect of such Notes, then:

- (i) the obligations of the Issuer in respect of such Notes will be limited to such Net Proceeds and neither the Trustee nor any Secured Party nor anyone acting on behalf of any Secured Party shall have any claim in respect of any asset of the Issuer not forming part of the Charged Assets; and
- (ii) the Issuer will not be obliged to make any further payment in excess of the Net Proceeds and any Noteholder's right to receive any further sums in respect of any Residual Shortfall shall be extinguished in full, and neither the Trustee nor any Secured Party nor anyone acting on behalf of any Secured Party shall be entitled to take any further steps against the Issuer or the Trustee to recover any such Residual Shortfall.

No Secured Party nor any party to the Trust Deed shall be entitled to petition or take any other step for the winding-up of the Issuer (including, without limitation, the opening of any bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (*insolvabilité liquidation volontaire ou judiciaire*), composition with creditors (*concordat préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), fraudulent conveyance (*actio pauliana*), general settlement with creditors or reorganisation proceedings or similar proceedings affecting the rights of creditors generally) or the appointment of an examiner in respect of the Issuer (including, without limitation, the appointment of any receiver (*curateur*) (except any receiver appointed by the Trustee pursuant to the Trust Deed), liquidator (*liquidateur*), auditor (*commissaire*), verifier (*expert-vérificateur*), judge delegated or judge commissaire). Failure by the Issuer to make any payment in respect of any Residual Shortfall shall in no circumstances constitute an Event of Default under Condition 11 (*Events of Default*).

In this Condition, "Residual Shortfall" means the difference, if any, between the Net Proceeds and the aggregate amount which would have been due under the Notes but for the operation of this Condition 8(i).

(j) *Issuer's rights as holder of Compartment Assets*

Unless otherwise specified in the applicable Final Terms, the Issuer may exercise any rights in its capacity as holder of the Compartment Assets (including, without limitation, a right to vote or any

analogous right howsoever described) only with the consent of the Trustee (or as directed in writing by the respective holders of at least 25 per cent. in principal amount of the Notes then outstanding or as directed by an Extraordinary Resolution of the Noteholders) and (except in relation to the Swap Agreement) the Swap Counterparty and, if such direction is given, the Issuer will act in accordance with such directions, unless such instructions are in the reasonable opinion of the Issuer contrary to applicable laws, regulations and/or circular letters issued by the Issuer's supervisory authority or materially detrimental to the interests of the Issuer. In particular, the Issuer will not, unless otherwise stated in the applicable Final Terms, attend or vote at any meeting of holders of the Compartment Assets, or give any consent or notification or make any declaration in relation to the Compartment Assets, save with the consent of the Trustee (or as directed in writing by the respective holders of at least 25 per cent. in principal amount of Notes then outstanding or as directed by an Extraordinary Resolution of each of the Noteholders) and the Swap Counterparty. In the event of a conflict between the instructions of the Trustee (or the Noteholders) and the Swap Counterparty, the instructions of the Instructing Party will prevail.

(k) *Swap termination*

Notwithstanding the terms of Condition 8(j) (*Issuer's rights as holder of Compartment Assets*), where "**Swap Termination Without Redemption**" is specified as applicable in the applicable Final Terms and where an Event of Default (as defined in the Swap Agreement) occurs under the Swap Agreement in circumstances where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) and Related Agreement Termination Event is stated as not applicable in the applicable Final Terms, following notification of such Event of Default by the Issuer to the Trustee (a "**Swap Default**"), the Trustee shall promptly, and in any event not later than five Business Days after such notification, instruct the Issuer to deliver, in respect of the Swap Agreement (where such agreement is constituted by a 2002 Master Agreement published by the International Swaps and Derivatives Association, Inc. (the "**Master Agreement**") and schedule thereto and any confirmations thereunder), a notice under Section 6(a) of the Master Agreement designating an Early Termination Date (as defined in the Swap Agreement). In such circumstances, the Issuer (with the consent of the Trustee) may appoint an agent (a "**Termination Agent**") to assist it in terminating the Swap Agreement and making any calculations necessary in connection with such termination. A *pro rata* share of the amount, if any, equal to the Early Termination Amount (as defined in the Swap Agreement) received by the Issuer under the Swap Agreement less the costs and expenses of the Trustee and any costs and expenses of the Termination Agent incurred in connection with such termination shall be paid by the Issuer to each Noteholder in the manner set out in the applicable Final Terms.

In these Conditions "**Instructing Party**" means, if "Swap Counterparty Priority" applies, the Swap Counterparty (except in relation to the Swap Agreement, or where it is the Defaulting Party under, and as defined in, the relevant Swap Agreement, in which case the Instructing Party will be the Noteholders) and if either "Noteholder Priority" or "Pari-Passu Ranking" applies, the Noteholders.

9. **Taxation**

All payments in respect of the Notes, Receipts and Coupons or under the Guarantee shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any tax authority unless such withholding or deduction is required by law, including, without limitation, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto, in which case the Issuer or, as the case may be, the Guarantor shall make all payments net of such withholding or deduction. Such withholding or deduction shall not constitute an Event of Default under Condition 11.

In these Conditions:

"Relevant Date" in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or, in the case of materialised Notes (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

10. **Prescription**

Bearer Notes (and any relative Receipts and Coupons) and Registered Notes will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 9 (*Taxation*)) except as provided in the applicable Final Terms.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 10 (*Prescription*) or Condition 6 (*Payments*) above.

11. **Events of Default**

(a) The Trustee at its discretion may (subject as provided in sub-paragraph (b) below), and if so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes of any Series then outstanding, or if so directed by an Extraordinary Resolution of such holders, shall, subject in each case to being indemnified and/or secured to its satisfaction, give notice to the Issuer and the Guarantor (if applicable) that the Notes are, and they shall accordingly forthwith become, immediately due and repayable at an amount equal to (unless otherwise specified in the Final Terms) the Liquidation Proceeds (such occurrence, a **"Note Acceleration"**) upon the occurrence of any of the following events (each an **"Event of Default"**):

- (i) a default is made for a period of 30 days or more in the payment of any sum due or the delivery of the Entitlement deliverable in respect of the Notes; or
- (ii) the Issuer fails to perform or observe any of its other obligations under the Notes or the Trust Deed and (unless such failure is, in the opinion of the Trustee, incapable of remedy in which case no such notice as is referred to in this paragraph shall be required) such failure continues for a period of 45 days (or such longer period as the Trustee may permit) following the service by the Trustee on the Issuer of notice requiring the same to be remedied (and for these purposes, a failure to perform or observe an obligation shall be deemed to be remediable notwithstanding that the failure results from not doing an act or thing by a particular time); or
- (iii) any order is made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer (including, without limitation, the opening of any bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (*insolvabilité, liquidation volontaire ou judiciaire*), composition with creditors (*concordat préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), fraudulent conveyance (*actio pauliana*), general settlement with creditors or reorganisation proceedings or similar proceedings affecting the rights of creditors generally) or the appointment of a receiver of the Issuer (including, without limitation, the appointment of any receiver (*curateur*), liquidator (*liquidateur*), auditor (*commissaire*), verifier (*expert-vérificateur*), *juge délégué* or *juge commissaire*) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms previously

approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders;
or

- (iv) in the case of Guaranteed Notes, the Guarantee ceases to be in full force and effect in respect of the Notes, the Receipts or the Coupons, or notice is given by the Guarantor which would cause the Guarantee to cease to be in full force and effect in respect of such Notes, the Receipts or the Coupons, or is rendered void for any cause or by any means whatsoever or any legislation is introduced the result of which would be to remove the benefit of the Guarantee from the Notes, the Receipts or the Coupons, or terminate or amend the same in a manner (in the opinion of the Trustee) materially adverse to the interests of the Noteholders, the Receiptholders or the Couponholders, or the Guarantor is unable to perform its obligations thereunder for any reason.
- (b) The Trust Deed provides that the Trustee shall not be under any obligation to monitor whether or not an Event of Default or a Potential Event of Default (as defined in the Trust Deed) has occurred or is continuing.

12. **Enforcement and Realisation**

Unless otherwise specified in the applicable Final Terms, upon the occurrence of a Note Acceleration under Condition 11 (*Events of Default*), the Compartment Security constituted by or created pursuant to the Supplemental Trust Deed and any Additional Security Document relating to a Series of Notes and the Compartment to which such Series relates, shall become enforceable. The Trustee may enforce the Compartment Security at any time after it has become enforceable but is only obliged to enforce the Compartment Security if directed to do so by (i) (where the Instructing Party is the Noteholders) either a direction in writing by holders of at least 25 per cent. in principal amount outstanding of the relevant Series of Notes or by an Extraordinary Resolution of the holders of the Notes; or (ii) (where the Instructing Party is the Swap Counterparty) a written direction of the Swap Counterparty. The Trustee or any appointee or receiver appointed thereby may enforce the security by one or more of the following:

- (a) endeavouring to sell or otherwise realise the Charged Assets (including, without limitation, by terminating, closing out or enforcing any Related Agreement or other agreement entered into by the Issuer, the rights of the Issuer in respect of which form part of the Charged Assets) in accordance with the provisions of the Trust Deed; and/or
- (b) otherwise enforcing the Compartment Security constituted by or pursuant to the Trust Deed and/or any Additional Security Document, in each case, without any liability as to the consequences of any such action and without having regard to the effect of any such action on individual Noteholders or Couponholders,

provided that the Trustee shall not be required to take any such action without first being indemnified and/or secured to its satisfaction or to do anything which is or may be contrary to any applicable law or regulation.

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Secured Parties.

13. **Meetings of Noteholders; Modifications; Waiver; Trustee Determination; Substitution**

- (a) *Meetings of Noteholders*

The Trust Deed contains provisions for convening meetings of Noteholders of each Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes (including these Conditions or the provisions of the Trust Deed insofar as the same may apply to such Notes). The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing a clear majority in principal amount of the

Notes for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Noteholders, whatever the principal amount of the Notes so held or represented, and an Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not and on all relevant Couponholders and holders of Receipts, except that any Extraordinary Resolution proposed to address a Reserved Matter (as defined in the Trust Deed), including (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest thereof, (ii) to change the principal amount or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to change the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating the Interest Amount in respect thereof, (iv) if a Minimum and/or a Maximum Interest Rate, Instalment Amount or Final or Early Redemption Amount is shown in the applicable Final Terms, to change any such Minimum and/or Maximum Interest Rate, Instalment Amount, Final Redemption Amount or Early Redemption Amount, (v) to change any method of calculating the Final or Early Redemption Amount or, in the case of Zero Coupon Notes, to vary the method of calculating the Amortised Face Amount, (vi) to change the currency or currencies of payment or denomination of the Notes, (vii) to direct the Trustee to take any steps as specified in the Trust Deed and/or Condition 11 (*Events of Default*), (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution or (ix) to modify the definition of Reserved Matter in the Trust Deed, will only be binding if passed at a meeting of the Noteholders, the quorum at which shall be two or more persons holding or representing not less than 75 per cent. or, at any adjourned meeting, not less than 25 per cent., in principal amount of the Notes for the time being outstanding. The holder of a global Note representing all (or part) of the Notes for the time being outstanding will be treated as being two persons for the purposes of such quorum requirements. A resolution in writing signed by or on behalf of the holders of not less than 90 per cent. (including in the case of a resolution proposed to address a Reserved Matter) in principal amount of the Notes of such Series for the time being outstanding shall for all purposes be as valid and effectual as an Extraordinary Resolution passed at a meeting of Noteholders.

The provisions of articles 86 to 97 of the Luxembourg Act dated 10th August, 1915 on commercial companies, as amended, shall not apply to the Notes, Receipts and Coupons (if any).

(b) *Modification*

The Trustee may, in respect of each Series, without the consent of the Noteholders or Couponholders, agree to (i) any modification to any Transaction Document or any other agreement to which the Issuer is a party which is of a formal, minor or technical nature or is made to correct a manifest error; (ii) any modification of any of the provisions of the Trust Deed or any other Transaction Document (other than in respect of a Reserved Matter) which in the opinion of the Trustee is not materially prejudicial to the interests of the Noteholders or (iii) any modification of the provisions of the Trust Deed or any other Transaction Document (other than in respect of a Reserved Matter) which is made to satisfy any requirement of any stock exchange on which the Notes are or are proposed to be listed and which, in each case, is not in the opinion of the Trustee materially prejudicial to the interests of the Noteholders.

Notice of such modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 18 (*Notices*) unless the Trustee agrees otherwise.

(c) *Waiver*

The Trustee may, in respect of any Series, without the consent of the Noteholders or Couponholders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time, but only if and in so far as in its opinion the interests of the Noteholders shall not be materially prejudiced thereby, waive or authorise, on such terms and conditions as to it shall seem expedient, any breach or proposed breach by the Issuer or (if applicable) the Guarantor

of any of the covenants or provisions in the Trust Deed or the Conditions or determine that any Event of Default or Potential Event of Default shall not be treated as such provided always that the Trustee shall not exercise any powers conferred on it by this Condition 13(c) in respect of any Reserved Matter or in contravention of any express direction given by an Extraordinary Resolution of the Noteholders, but no such direction shall affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination shall be binding on the Noteholders or Couponholders of such Series.

Notice of any such waiver, authorisation or determination shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 18 (Notices) unless the Trustee agrees otherwise.

(d) *Trustee determination*

If, in the opinion of the Trustee, any modification, waiver, authorisation or determination referred to in paragraphs (b)(ii) or (iii) and (c) of this Condition 13 affects the interests of the holders of any Series of Notes, the Trustee shall agree to such modification, waiver, authorisation or determination only if either (i) it is satisfied that, in its opinion, the interests of the holders of the relevant Series of Notes will not be materially prejudiced thereby or (ii) the holders of the relevant Series of Notes sanction such modification, waiver, authorisation or determination by way of Extraordinary Resolution, each of (i) and (ii) in accordance with the Conditions of the relevant Series of Notes.

(e) *Substitution*

The Trust Deed contains provisions permitting the Trustee, subject to the further conditions set out in the Trust Deed and such amendment of the Trust Deed and other conditions as the Trustee may require, but without the consent of the holders of the relevant Series of Notes, to agree with the Issuer and the Guarantor (if applicable) to the substitution, in respect of any Series of Notes, in place of the Issuer (or of the previous substitute), as the principal debtor under the Notes of such Series, or, when applicable, the Guarantor, as guarantor of the payment obligations of the Issuer under the relevant Series of Notes, of any other company (such substituted company being hereinafter called the "**Substitute Company**").

Not later than 14 days after the execution of such amendment and compliance with such conditions as aforesaid, the Substitute Company shall give notice thereof in a form previously approved by the Trustee to the relevant Noteholders in the manner provided in Condition 18 (Notices).

(f) *Entitlement of the Trustee*

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall assume that each holder of a Bearer Note is the holder of all Receipts, Coupons and Talons relating to such Bearer Note and shall have regard to the interests of the holders of such Notes or the Coupons, Receipts or Talons relating thereto as a class and shall not have regard to the consequences of such exercise for any particular Noteholder or Couponholder or holder of any Receipt or Talon and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder or holder of any Receipt or Talon be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual holders of such Notes, Coupons, Receipts or Talons.

14. **Replacement of Notes, Receipts, Coupons and Talons**

Should any Note or (in the case of any Bearer Note) Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes), subject to relevant stock exchange requirements and all applicable laws, upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to

evidence, security and indemnity and otherwise as the Issuer or (if applicable) the Guarantor may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15. **Exchange of Talons**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 10 (*Prescription*). Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

16. **Further Notes**

The Issuer may from time to time without the consent of the Noteholders (but provided that the Trustee is satisfied that the restrictions set out in this Condition 16 will be complied with, create and issue further securities ("**Further Notes**") having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest and issue price) and so that the same shall be consolidated and form a single series with such Notes provided that (unless otherwise approved by an Extraordinary Resolution of the Noteholders):

- (i) The Issuer provides additional security for such Further Notes that comprises assets that are fungible with, and have the same proportionate composition as, the Charged Assets in respect of the relevant existing Notes and that has an aggregate principal amount at least equal to the product of (A) the principal amount of such existing security and (B) a fraction, the numerator of which is the aggregate principal amount of the Further Notes and the denominator is the aggregate principal amount of the existing Notes; and
- (ii) The Issuer enters into an additional and/or supplemental agreement varying the terms of the relevant Swap Agreement, Repurchase Agreement or Deposit Agreement, as applicable, to take account of the Further Notes on terms no less favourable than those of the Swap Agreement, Repurchase Agreement or Deposit Agreement, as applicable.

Any Further Notes shall be constituted and secured by a further supplemental trust deed and the Notes and the Further Notes shall be secured by the same Charged Assets. References in these Conditions to "**Notes**" and "**Charged Assets**" shall be construed accordingly.

17. **Removal, Indemnification and Obligations of the Trustee**

The Trust Deed contains provisions for the appointment, retirement and removal of the Trustee. The Issuer shall as soon as practicable after the appointment of a new trustee notify the Noteholders of such appointment in accordance with Condition 18 (*Notices*).

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including for the exercise of any voting rights in respect of the Compartment Assets or for the value, validity, sufficiency and enforceability (which the Trustee has not investigated) of the Compartment Security created over the Charged Assets. The Trustee is not obliged to take any action under the Trust Deed, the Notes or otherwise unless indemnified and/or secured to its satisfaction. The Trustee and any affiliate is entitled to enter into business transactions with the Issuer, the Guarantor, any issuer or guarantor (where applicable) of any of the Charged Assets any party other than the Issuer under a Related Agreement (including, without limitation, the Swap Counterparty), or any of their subsidiary, holding or associated companies without accounting to the Noteholders for profit resulting therefrom.

The Trustee is exempted from liability with respect to any loss or theft or reduction in value (as appropriate) of the Charged Assets from any obligation to insure or to procure the insuring of the Charged Assets (or any documents evidencing, constituting or representing the same or transferring any rights or obligations thereunder) and from any claim arising from the fact that the Charged Assets are held in an account with a clearing agent in accordance with that relevant clearing agent's rules or otherwise held in safe custody by the Custodian or any custodian whether or not selected by the Trustee (in each case, if applicable). The Trustee is not responsible for supervising the performance by (i) the Issuer of its own obligations and (ii) any other person of their obligations to the Issuer.

For the purposes of this Condition 17, each of the Issuer and, as the case may be, the Guarantor expressly accepts and confirms, for the purposes of articles 1278 and 1281 of the Luxembourg civil code, that notwithstanding any assignment, transfer and/or novation permitted under and made in accordance with the provisions of the Trust Deed or any agreement referred to therein to which the Issuer and, as the case may be, the Guarantor are party, any security created or guarantee given under the Trust Deed shall be reserved for the benefit of the new trustee (for itself and for the benefit of each other Secured Party).

18. Notices

All notices regarding the Notes shall be valid if: (a) in the case of Notes represented by a Global Note, delivered to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes; (b) so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of such stock exchange or relevant authority so require, in accordance with such rules; or (c) in the case of Registered Notes if sent by first class mail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register. If and for so long as the Notes are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange, and so long as the Luxembourg Stock Exchange so require, notices shall be made available on the Luxembourg Stock Exchange's website, www.bourse.lu. Any such notice shall be deemed to have been given on the Business Day on which such delivery takes place or, if earlier, the date of such publication, or, if published more than once, on the date of the first such publication.

If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Issuing and Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a global Note, such notice may be given by any holder of a Note to the Issuing and Paying Agent or the Registrar (as applicable) via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Issuing and Paying Agent or the Registrar (as applicable) and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

19. Redenomination

(a) Redenomination

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Noteholders, the Trustee, the Receiptholders and the Couponholders, on giving prior notice to the Issuing and Paying Agent, Euroclear and Clearstream, Luxembourg and at least 30 days' prior notice to the Noteholders in accordance with Condition 18 (Notices), elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

- (i) the Notes and the Receipts shall be deemed to be redenominated into euro in the denomination of euro 0.01 with a principal amount for each Note and Receipt equal to the principal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Issuing and Paying Agent, that the then market practice in respect of the redenomination into euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Issuing and Paying Agent of such deemed amendments;
- (ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate principal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant Noteholder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (iii) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Issuing and Paying Agent may approve) euro 0.01 and such other denominations as the Issuing and Paying Agent shall determine and notify to the Noteholders;
- (iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Issuing and Paying Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (v) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;
- (vi) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on a Fixed Interest Date, it will be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit (defined above)

of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;

- (vii) if the Notes are Floating Rate Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and
- (viii) such other changes shall be made to these Conditions as the Issuer may decide, after consultation with the Issuing and Paying Agent and the Trustee, and as may be specified in the notice, to conform them to conventions then applicable to instruments denominated in euro.

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

(b) *Definitions*

In these Conditions, the following expressions have the following meanings:

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

"euro" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

"Redenomination Date" means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph (a) above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union; and

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

20. **Contracts (Rights of Third Parties) Act 1999**

The Notes shall not confer any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of a third party which may exist or is available apart from that Act.

21. **Governing Law and Submission to Jurisdiction**

The Trust Deed (save to the extent that the Trust Deed relates to security interests created over assets located or deemed to be located in Luxembourg), the Agency Agreement, the Notes, the Receipts and the Coupons (and any non-contractual obligations arising out of or in connection with such documents) are (or, as the case may be, shall be) governed by, and shall be construed in accordance with, English law.

The Issuer irrevocably agrees, for the exclusive benefit of the Noteholders, the Receiptholders and the Couponholders, that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes, the Receipts and/or the Coupons (including a dispute relating to non-contractual obligations arising out of such Notes, Receipts and/or Coupons) and accordingly any suit, action or proceedings arising out of or in connection with the Notes, the Receipts and the Coupons may be brought in such courts.

The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Noteholders, the Receiptholders and the Couponholders may take any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Notes, the Receipts and the Coupons (including Proceedings relating to any non-contractual obligations arising out of or in connection with such Notes, Receipts and/or Coupons) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

The Issuer appoints BNP Paribas, London Branch, of 10 Harewood Avenue, London NW1 6AA (Attention: the Loan Administration Department), as its agent for service of process, and undertakes that, in the event of BNP Paribas, London Branch ceasing so to act or ceasing to be registered in England, it will appoint, subject to the prior written approval of the Trustee, another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

The Issuer has in the Trust Deed submitted to the jurisdiction of the English courts and has appointed an agent for service of process in terms substantially similar to those set out above.

TERMS AND CONDITIONS OF THE WARRANTS

The following are the Terms and Conditions of the Warrants, which will include the additional terms and conditions contained in Annex 1 in the case of Index Linked Warrants, Annex 2 in the case of Share Linked Warrants, Annex 3 in the case of Debt Linked Warrants, Annex 4 in the case of Commodity Linked Warrants, Annex 5 in the case of Inflation Index Linked Warrants, Annex 6 in the case of Currency Linked Warrants, Annex 7 in the case of Fund Linked Warrants, Annex 8 in the case of Market Access Warrants and Annex 10 in the case of ETI Linked Warrants or any other Annex (each an "Annex" and together the "Annexes" which may be added from time to time) which will be incorporated by reference into each Global Warrant. The applicable Final Terms in relation to any Series (and/or Tranche, as the case may be) of Warrants may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Warrants. The applicable Final Terms (or the relevant provisions thereof) will be endorsed on, attached to or incorporated by reference in, each permanent global Warrant. Reference should be made to the section headed "Form of the Warrants" above for a description of the content of Final Terms which will specify which of such terms is to apply in relation to the relevant Warrants.

This Warrant is one of a Series (as defined below) of Warrants issued by SecurAsset S.A. (the "**Issuer**"), a regulated securitisation undertaking within the meaning of the Luxembourg Act dated 22 March 2004 on securitisation, as amended (the "**Securitisation Act 2004**", which term shall include such act as modified, amended or re-enacted from time to time), constituted and secured by a supplemental trust deed (the "**Supplemental Trust Deed**") dated the date of issue of the Warrants (the "**Issue Date**") between, *inter alia*, the Issuer, BNP Paribas Trust Corporation UK Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed (as defined below)) as trustee for the Warrantholder and, if applicable, the persons specified therein as the guarantor (the "**Guarantor**") and, if applicable, the persons specified therein as a Swap Counterparty and/or Deposit Counterparty and/or Repo Counterparty (each as defined in Condition 9 (*Compartment Assets*)). The Supplemental Trust Deed is supplemental to a trust deed (the "**Trust Deed**", which expression includes the same as it may be modified and/or supplemented and/or restated from time to time) dated 6 February 2009, as most recently amended and restated on 29 June 2012 and made between the Issuer and BNP Paribas Trust Corporation UK Limited as trustee (the "**Trustee**", which expression shall include any successor appointed pursuant to the Trust Deed. References herein to the "Issuer" shall include the Substitute Company as defined in Condition 14(e) (*Substitution*), in the case of any substitution of the Issuer in accordance with that Condition.

References herein to the Warrants shall be references to the Warrants of this Series and shall mean:

- (a) Warrants held by a Common Depositary on behalf of Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") and/or Euroclear Bank S.A./N.V. ("**Euroclear**"), and/or any other relevant clearing system ("**Clearing System Warrants**") constituted by a clearing system global warrant (a "**Clearing System Global Warrant**"); and
- (b) any global Warrant in registered form ("**Registered Global Warrant(s)**") and, together with a Clearing System Global Warrant, each a "**Global Warrant**").

The Warrants have the benefit of an agency agreement dated 6 February 2009, as most recently amended and restated on 29 June 2012 (the "**Agency Agreement**", which expression includes the same as it may be modified and/or supplemented and/or restated from time to time) and made between, *inter alia*, the Issuer, the Trustee, BNP Paribas Arbitrage S.N.C. as calculation agent (the "**Calculation Agent**"), which expression shall include any additional or successor calculation agents specified in the applicable Final Terms), BNP Paribas Securities Services, Luxembourg Branch as account bank (where specified in the applicable Final Terms) (the "**Account Bank**"), BNP Paribas Securities Services, Luxembourg Branch as principal warrant and certificate agent, registrar and, where specified in the Final Terms, custodian and cash manager (the "**Principal Warrant and Certificate Agent**", the "**Registrar**", the "**Custodian**" and

the "**Cash Manager**" respectively, which expressions shall include, in each case, any additional, alternative or successor agents specified in the applicable Final Terms) and the other warrant and certificate agents named therein (together with the Principal Warrant and Certificate Agent and the Registrar, the "**Warrant and Certificate Agents**", which expression shall include any additional or successor warrant and certificate agents). The Warrant and Certificate Agents, the Calculation Agent, the Cash Manager and the Custodian shall be referred to collectively herein as the "**Agents**". The Warrants, the Trust Deed (together with any Supplemental Trust Deed), the Agency Agreement (together with any supplements thereto), the Dealer Agreement and any other Related Agreements are together referred to as the "**Transaction Documents**".

The Trustee acts for the benefit of the holders for the time being of the Warrants which expression shall mean, in the case of Clearing System Global Warrants, the Warrantholders and, in the case of Registered Global Warrants, the persons in whose name the Warrants are registered, and shall, in relation to any Warrants represented by a Global Warrant, be construed as provided in Condition 1 below. The Trustee also holds the Compartment Security granted by the Issuer for itself and the other Secured Parties (as defined below).

Any reference herein to "**Euroclear**" and/or "**Clearstream, Luxembourg**" (each term as defined above) shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms, approved by the Issuer, the Guarantor (if applicable), the Trustee, the Principal Warrant and Certificate Agent, the Registrar (in the case of warrants in registered form ("**Registered Warrants**") only) and, in the case of Warrants listed on the Luxembourg Stock Exchange, the Luxembourg Stock Exchange.

The Final Terms for this Warrant (or other relevant provisions thereof) are set out in the Final Terms that are endorsed on, attached to or incorporated by reference in this Warrant and which supplement these terms and conditions (the "**Terms and Conditions**" or the "**Conditions**"). The applicable Final Terms (or other relevant provisions thereof) supplement these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Warrant.

As used herein, "**Tranche**" means Warrants which are identical in all respects and "**Series**" means a Tranche of Warrants together with any further Tranche or Tranches of Warrants which are (x) expressed to be consolidated and form a single series and (y) identical in all respects except for their respective Issue Date, and/or Issue Prices.

Copies of the Trust Deed and the Agency Agreement are available for inspection by Warrantholders during normal business hours from the specified offices of the Warrant and Certificate Agents. Copies of the applicable Final Terms are available for viewing by Warrantholders at www.bourse.lu and copies may be obtained from the specified office of the Principal Warrant and Certificate Agent save that, if this Warrant is a Private Placement Warrant (as defined below) which has not been offered to the public in Luxembourg, the applicable Final Terms will only be obtainable by a Warrantholder holding one or more such Warrants and such Warrantholder must produce evidence satisfactory to the Issuer, the Trustee and the relevant Warrant and Certificate Agent as to its holding of such Warrants and identity. The Warrantholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed (as such term is defined in the Trust Deed).

By subscribing to, or otherwise acquiring, the Warrants, each Warrantholder expressly acknowledges and agrees that:

- (i) the Issuer (a) is subject to the Securitisation Act 2004 and (b) in connection with the Warrants has created a specific Compartment, which Compartment shall be identified by the number and/or name ascribed to it in the applicable Final Terms, to which all assets, rights, claims and agreements relating to the Warrants will be allocated, subject as provided in the applicable Final Terms;

- (ii) the provisions with respect to the Order of Priority specified in the applicable Final Terms will apply;
- (iii) all payments to be made by the Issuer in respect of the Warrants and the related Swap Agreement (if any) will be made only from and to the extent of the sums received or recovered from time to time by or on behalf of the Issuer or the Trustee in respect of the Charged Assets and, following a Warrant Acceleration in respect of the Warrant, the entitlement of the Warrantholder will be limited to such Warrantholder's *pro rata* share of the proceeds of the relevant Charged Assets applied in accordance with the Order of Priority specified in the applicable Final Terms and not to the assets allocated to other compartments created by the Issuer or to any other assets of the Issuer and, in the case of Guaranteed Warrants, sums obtained on its behalf by the Trustee, making a claim under the Guarantee, subject to the terms set out in these Final Terms and the relevant provisions of the Guarantee;
- (iv) it shall have no right to attach or otherwise seize the Charged Assets (subject as provided above), or any other assets of the Issuer, including, without limitation, any assets allocated to any other compartments of the Issuer; and
- (v) no Warrantholder shall be entitled to petition or take any other step for the liquidation, winding-up or the bankruptcy of the Issuer or any similar proceedings.

Words and expressions defined in the Trust Deed or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated, and provided that, in the event of any inconsistency between the Trust Deed or the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

Warrants may not be exercised within the United States, and the securities may not be delivered within the United States upon exercise, other than in offerings deemed to meet the definition of "offshore transaction" pursuant to Regulation S, unless registered under the Securities Act or an exemption from such registration is available.

1. **Type, title and transfer**

(a) *Type*

The Warrants relate to a specified Index or Basket of Indices ("**Index Linked Warrants**"), a specified Share (including a specified depositary receipt (a "**GDR/ADR**")) or Basket of Shares or a basket of GDRs and/or ADRs ("**Share Linked Warrants**"), a specified debt instrument ("**Debt Security**") or basket of Debt Securities ("**Debt Linked Warrants**"), a specified commodity or commodity index or basket of commodities and/or commodity indices ("**Commodity Linked Warrants**"), a specified inflation index or basket of inflation Indices ("**Inflation Index Linked Warrants**"), a specified currency or basket of currencies ("**Currency Linked Warrants**"), a specified fund share or unit or basket of fund shares or units ("**Fund Linked Warrants**"), market access warrants ("**Market Access Warrants**"), a specified interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or any other exchange traded product (each an "**exchange traded instrument**") or benefit of interests in exchange traded instruments ("**ETI Linked Warrants**") or any other or further type of warrants as is specified in the applicable Final Terms including Warrants which relate to any combination of such indices, shares, debt securities, commodities, inflation indices, currencies, fund shares or units, market access and other asset classes or types ("**Hybrid Warrants**"). Warrants related to a specified commodity or commodity index or basket of commodities or commodity indices, a specified inflation index or basket of inflation indices, specified currency or basket of currencies, a specified fund share or unit or basket of fund shares or units, the credit of a specified reference entity or reference entities, a specified interest rate or basket of interest rates, specified exchange traded instruments or Hybrid Warrants related to any of these asset classes, may not at any time be offered, sold, resold, held, traded,

pledged, exercised, settled, transferred or delivered, directly or indirectly, in the United States or to, by or for the account or benefit of, persons that are U.S. persons as defined in Regulation S under the Securities Act or that are not non-United States Persons as defined in Rule 4.7 under the United States Commodity Exchange Act, as amended.

The applicable Final Terms will indicate whether the Warrants are American style Warrants ("**American Style Warrants**"), European style Warrants ("**European Style Warrants**"), Registered Warrants or such other type as may be specified in the applicable Final Terms, in the case of Cash Settled Warrants whether automatic exercise ("**Automatic Exercise**") applies to the Warrants, whether settlement shall be by way of cash payment ("**Cash Settled Warrants**") or physical delivery ("**Physical Delivery Warrants**"), whether the Warrants are call Warrants ("**Call Warrants**") or put Warrants ("**Put Warrants**"), or such other type as may be specified in the applicable Final Terms, whether the Warrants may only be exercised in units ("**Units**") and whether Averaging ("**Averaging**") will apply to the Warrants. If Units are specified in the applicable Final Terms, Warrants must be exercised in Units and any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect. If Averaging is specified as applying in the applicable Final Terms, the applicable Final Terms will state, amongst other details, the relevant Averaging Dates.

References in these Terms and Conditions, unless the context otherwise requires, to Cash Settled Warrants shall be deemed to include references to (i) Physical Delivery Warrants, which include an option (as set out in the applicable Final Terms) at the Issuer's election to request cash settlement of such Warrant pursuant to Condition 4(e)(i) and where settlement is to be by way of cash payment, and (ii) Physical Delivery Warrants where settlement is to be automatically varied to be by way of a cash payment pursuant to Condition 4(e)(i). References in these Terms and Conditions, unless the context otherwise requires, to Physical Delivery Warrants shall be deemed to include references to Cash Settled Warrants which include an option (as set out in the applicable Final Terms) at the Issuer's election to request physical delivery of the relevant underlying asset in settlement of such Warrant pursuant to Condition 4(e)(i) and where settlement is to be by way of physical delivery.

Warrants may, if specified in the applicable Final Terms, allow Warrantholders to elect for settlement by way of cash payment or by way of physical delivery or by such other method of settlement as is specified in the applicable Final Terms. Those Warrants where the relevant Warrantholder has elected for cash payment will be Cash Settled Warrants and those Warrants where the relevant Warrantholder has elected for physical delivery will be Physical Delivery Warrants. The rights of a Warrantholder as described in this paragraph may be subject to the Issuer's right to vary settlement as indicated in the applicable Final Terms and will be subject to the Issuer's right to substitute assets or pay the Alternate Cash Amount (as defined below) in lieu of physical delivery in accordance with Condition 4(f).

(b) *Title to Warrants*

In the case of Warrants represented by a Clearing System Global Warrant held by a Common Depository on behalf of a relevant Clearing System, each person who is for the time being shown in the records of the relevant Clearing System as the holder of a particular amount of such Warrants (in which regard any certificate or other document issued by the relevant Clearing System as to the amount of Warrants standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee, the Guarantor, if any, and the relevant Warrant and Certificate Agent as the Warrantholder of such amount of Warrants for all purposes (and the expressions "**Warrantholder**" and "**Holder of Warrants**" and related expressions shall be construed accordingly).

(c) *Title to Registered Warrants*

In the case of Registered Warrants, the Issuer shall cause to be kept at the principal office of the Registrar, a register (the "**Register**") on which shall be entered the names and addresses of all Warrantholders, the amount and type of the Warrants held by each Warrantholder and details of all transfers of the Warrants. Each person who is for the time being shown in the Register as the holder of a particular amount of Warrants (each a "**Warrantholder**") shall (except as otherwise required by law) be treated as the absolute owner of such amount of Warrants for all purposes (regardless of any notice of ownership, trust, or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating such person.

(d) *Transfers of Interests in Global Warrants*

Transfers of Warrants may not be effected after the exercise of such Warrants pursuant to Condition 5.

Subject as set forth in this Condition, all transactions (including permitted transfers of Warrants) in the open market or otherwise must be effected, in the case of Clearing System Warrants, subject to and in accordance with the rules and procedures for the time being of the relevant Clearing System(s). Title will pass upon registration of the transfer in the books of the relevant Clearing System.

Any reference herein to Clearstream, Luxembourg and/or Euroclear and/or any other relevant Clearing System shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Trustee, the Registrar, the Issuing and Paying Agent, the Principal Warrant and Certificate Agent and Warrant and Certificate Agent from time to time and notified to the relevant Warrantholders in accordance with Condition 17.

(I) *Transfers of Clearing System Warrants*

Transfers of Warrants to a person who takes delivery in the form of Warrants represented by a Global Warrant may be made only in accordance with the following provisions:

- (i) (A) in the case of transfers to a person who takes delivery in the form of Warrants represented by a Global Warrant, from a Holder of Warrants represented by a Global Warrant, to a non-U.S. person in an offshore transaction pursuant to Regulation S; and
- (B) in each case, in accordance with any applicable rules and regulations of the Principal Warrant and Certificate Agent, the relevant Clearing System, and/or as specified in the applicable Final Terms.
- (ii) The Warrantholder must send a free of payment instruction to Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, as the case may be, not later than 10.00 a.m. local time in the city of the relevant Clearing System, one Business Day in the city of the relevant Clearing System prior to the date on which the transfer is to take effect.

Separate payment arrangements are required to be made between the transferor and the transferee.
- (iii) On the transfer date:
 - (A) the relevant Clearing System will debit the account of its participant; and

- (B) the relevant Clearing System or the Warrantholder, as the case may be, will instruct the Principal Warrant and Certificate Agent to instruct Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, as the case may be, to credit the relevant account of the relevant Clearing System participant.

Upon any such transfers, on the transfer date the Principal Warrant and Certificate Agent, will increase or decrease, if appropriate, the number of Warrants represented by the relevant Global Warrant, whereupon the number of Warrants represented by such Global Warrant shall be increased or decreased, if appropriate, for all purposes by the number so transferred and endorsed.

(II) *Transfer of Registered Warrants*

Title to the Registered Warrants will pass upon the registration of transfers in accordance with the provisions of the Agency Agreement. A Registered Warrant may be transferred by the transferor or a person duly authorised on behalf of the transferor depositing at the specified office of the Registrar a duly completed transfer certificate (a "**Transfer Certificate**") in the form set out in the Agency Agreement (copies of which are available from the Registrar) signed by or on behalf of the transferor and upon the Registrar after due and careful enquiry being satisfied with the documents of title and the identity of the person making the request and subject to the regulations set out in Schedule 3 to the Agency Agreement, the Registrar should enter the name of the transferee in the Register for the Registered Warrants as the Warrantholder of the Registered Warrant specified in the form of transfer.

Warrantholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except that the Issuer may require the payment of a sum determined by the Calculation Agent sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration or exchange in the jurisdiction of the Issuer or in any other jurisdiction where the Registrar's specified office is located.

Registered Warrants and interests therein may not be transferred at any time, directly or indirectly, in the United States or to or for the benefit of a U.S. person, and any such transfer shall not be recognised.

2. **Status of the Warrants; Guaranteed Warrants**

(a) *Status of the Warrants*

The Warrants are secured, limited recourse obligations of the Issuer, ranking pari passu without any preference among themselves (unless otherwise specified in the applicable Final Terms), which are secured in the manner described in Condition 9 and recourse in respect of which is limited in the manner described in Condition 9 and the applicable Final Terms.

(b) *Guaranteed Warrants*

If the Warrants are "**Guaranteed Warrants**" as specified in the applicable Final Terms, and subject to the satisfaction of the conditions set out therein and in the relevant provisions of the Supplemental Trust Deed applicable to such Warrants, the payment obligations of the Issuer in respect of such Guaranteed Warrants will have the benefit of a guarantee (the "**Guarantee**") in favour of the Trustee (for itself, and as trustee for holders of such Guaranteed Warrants) made by BNP Paribas or any alternative guarantor specified in the applicable Final Terms (in such capacity, each the "**Guarantor**"). The Issuer will not issue any Guaranteed Warrants where the Guarantor is an entity other than BNP Paribas (other than unlisted Guaranteed Warrants which are offered in such a manner such that a prospectus is not required in accordance with Article 3(2) of the

Prospectus Directive) unless it has first made available a base prospectus supplement which will describe the relevant Guarantor, the terms of the Guarantee and the effect of any such Guarantee on such Warrants.

Unless otherwise specified in the applicable Final Terms, the Guarantee (if applicable) constitutes an unsecured, unsubordinated and general obligation of the Guarantor and ranks and will rank (i) *pari passu* with all other existing and future unsecured, unsubordinated and general obligations of the Guarantor, but excluding any debts for the time being preferred by law, and (ii) senior to any subordinated obligations.

(c) *Subrogation of the Guarantor*

Under the Guarantee, the Guarantor will be subrogated to any rights of the holders of the Guaranteed Warrants and the Trustee against the Issuer to the fullest extent permitted by applicable law and to the extent of such payment in respect of amounts due in respect of the Warrants which have been paid by the Guarantor under the Guarantee.

3. **Restrictions**

(a) The Issuer has covenanted in the Trust Deed that, inter alia, so long as any of the Warrants remains outstanding, it will not, without the prior written consent of the Trustee:

- (i) engage in any activity or do anything whatsoever, except:
 - (A) issue instruments which are subject to the Securitisation Act 2004 and the enforcement and limited recourse provisions of the Trust Deed or any other relevant agreement ("**Permitted Instruments**", provided that such term shall include, without limitation, Related Agreements, notes, certificates, Warrants and Further Warrants (as defined below));
 - (B) otherwise incur indebtedness (any such indebtedness, "**Permitted Indebtedness**") in respect of moneys borrowed or raised where such indebtedness is incurred on terms that it is subject to, and in compliance with, the Securitisation Act 2004 and/or is secured on assets or other property which are not part of the Charged Assets and on terms which provide for the extinguishment of all claims in respect of such indebtedness after application of the proceeds of the assets or property on which such indebtedness is secured;
 - (C) enter into any deed or agreement of any kind related to any Permitted Instrument or Permitted Indebtedness, but provided always that any such deed or agreement is entered into on terms that the obligations of the Issuer thereunder relate to a compartment of specified assets of the Issuer (other than its share capital) which does not form part of the Charged Assets and on terms which provide for extinguishment of all claims in respect of such obligations after application of the assets on which such indebtedness is secured;
 - (D) acquire, or enter into any agreement constituting, the collateral in respect of any Permitted Instrument or the assets securing any Permitted Indebtedness to enable it to discharge its obligations under such Permitted Instrument or Permitted Indebtedness;
 - (E) perform its obligations under each Permitted Instrument or Permitted Indebtedness, or any deed or agreement incidental to the issue and constitution of, or the granting of security for, any Permitted Instrument or Permitted Indebtedness;

- (F) enforce any of its rights whether under any deed or agreement entered into in relation to any Permitted Instrument or Permitted Indebtedness;
 - (G) perform any act incidental to or necessary in connection with any of the above; or
 - (H) as permitted by the Conditions;
- (ii) have any subsidiaries;
 - (iii) have any employees;
 - (iv) dispose of any of its property or other assets or any part thereof or interest therein (subject (A) to this subparagraph (a) and (B) as provided in the terms and conditions relating to any Permitted Instrument or the terms and conditions relating to any Permitted Indebtedness);
 - (v) issue any further fungible Warrants unless the trustee and/or guarantor thereof is the same person as, respectively, the Trustee and/or, as the case may be, the Guarantor for the Warrants;
 - (vi) pay any dividend or make any other distribution to its members;
 - (vii) guarantee or become obligated for the debts of any other entity or hold out its credit as being available to satisfy the obligations of others;
 - (viii) pledge its assets for the benefit of any other entity or make any loans or advances to any entity (other than in connection with or in respect of Permitted Instruments and Permitted Indebtedness); or
 - (ix) consolidate or merge with any other person.
- (b) The Issuer has covenanted in the Trust Deed that, inter alia, save with the prior written consent of the Trustee, the Issuer shall, so long as any of the Warrants remains outstanding:
- (i) maintain proper books and records, accounts and financial statements for each Compartment and for the Issuer;
 - (ii) hold itself out as a separate entity, conduct its business in its own name and maintain an arm's length relationship with its affiliates (if any);
 - (iii) notify the Trustee in writing immediately on becoming aware of the occurrence of any Event of Default or Potential Event of Default or the proposed mandatory cancellation of any Warrant;
 - (iv) provide the Trustee with certain certificates within specified timeframes that no Event of Default or Potential Event of Default has occurred since the Certification Date of the last certificate or the date of the Trust Deed, or, if such an event has occurred, giving details of it;
 - (v) for each Series send to the Trustee at least 48 hours (if practicable) before it is to be issued the form of each notice to be given to the Warrantholders and, once given, two copies of each such notice;
 - (vi) forthwith upon request by the Trustee give notice to the Warrantholders of any Series of any unconditional payment to the Principal Warrant and Certificate Agent or the Trustee of any sum due in respect of the Warrants of such Series made after the due date for such payment;

- (vii) in relation to each Series:
 - (A) comply and procure that each of the parties thereto complies with its obligations under the Agency Agreement, any Swap Agreement, any Deposit Agreement or any Repurchase Agreement; and
 - (B) procure that any Swap Counterparty gives the Trustee notice of any substitution of the Compartment Assets with substitute securities or cash substitute in accordance with the terms of Condition 9(f);
- (viii) not commingle its assets with those of any other entity; and
- (ix) observe all formalities required by its memorandum and articles of association (including maintaining adequate capital for its operations).

4. **Exercise Rights**

(a) *American Style Warrants*

American Style Warrants are exercisable on any Exercise Business Day during the Exercise Period.

"Exercise Business Day" means:

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

Clearing System Warrants

The following provisions apply to Clearing System Warrants held by a Common Depository on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System:

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice (as defined below) has been delivered in the manner set out in Condition 5, at or prior to 10.00 a.m., Luxembourg or Brussels time, as appropriate, on the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such American Style Warrant shall be automatically exercised on the Expiration Date and the provisions of Condition 5(g) shall apply.

The Exercise Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m. (Local Time) to the relevant Clearing System, and the copy thereof is received by the Principal Warrant and Certificate Agent or, if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, the Expiration Date, is referred to herein as the **"Actual Exercise Date"**. If any Exercise Notice is received by the relevant Clearing System or if the copy thereof is received by the Principal Warrant and Certificate Agent, in each case, after 10.00 a.m. (Local Time) on any Exercise Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Condition 5 at or prior to 10.00 a.m. (Local Time) on the Expiration Date shall (A) (x) if the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (y) if the Warrants are Physical Delivery Warrants, become void or (B)

if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

Registered Warrants

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 5, at or prior to 10.00 a.m., Luxembourg time, on the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms any such American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 5, at or prior to 10.00 a.m., Luxembourg time, on the Expiration Date shall be automatically exercised on the Expiration Date and the provisions of Condition 5(g) shall apply.

The Exercise Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m., Luxembourg time, to the Registrar and a copy thereof so received by the Principal Warrant and Certificate Agent or, if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms and no Exercise Notice has been delivered at or prior to 10.00 a.m., Luxembourg time, on the Expiration Date, the Expiration Date is referred to herein as the "Actual Exercise Date". If any such Exercise Notice is delivered to the Registrar, or if the copy thereof is received by the Principal Warrant and Certificate Agent, in each case, after 10.00 a.m., Luxembourg time, on any Business Day, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day which next Exercise Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been received in the manner set out in Condition 5, at or prior to 10.00 a.m., Luxembourg time, on the Expiration Date shall (A) if (x) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (y) the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

(a) *European Style Warrants*

European Style Warrants are only exercisable on the Exercise Date.

Clearing System Warrants

The following provisions apply to Clearing System Warrants held by a Common Depository on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System:

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 5, at or prior to 10.00 a.m. (Local Time) on the Actual Exercise Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such Warrant shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 5(g) shall apply.

Registered Warrants

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European

Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 5, at or prior to 10.00 a.m., Luxembourg time, on the Actual Exercise Date, shall become void. If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 5, at or prior to 10.00 a.m., Luxembourg time, on the Actual Exercise Date, shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 5(g) shall apply.

(b) *Cash Settlement*

If the Warrants are Cash Settled Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit entitles its holder, upon due exercise and subject, in the case of Warrants represented by a Global Warrant, to certification as to non-U.S. beneficial ownership, to receive from the Issuer on the Settlement Date a Cash Settlement Amount calculated by the Calculation Agent (which shall not be less than zero) equal unless otherwise specified in the applicable Final Terms to:

- (i) where Averaging is not specified in the applicable Final Terms:
 - (A) if such Warrants are Call Warrants,

(Settlement Price less Exercise Price) multiplied by, in the case of Debt Linked Warrants only, the nominal amount and divided by, in the case of Warrants in respect of which a Parity is specified in the applicable Final Terms, such Parity;
 - (B) if such Warrants are Put Warrants,

(Exercise Price less Settlement Price) multiplied by, in the case of Debt Linked Warrants only, the nominal amount and divided by, in the case of Warrants in respect of which a Parity is specified in the applicable Final Terms, such Parity;
and
 - (C) if such Warrants are not Call Warrants or Put Warrants, settlement will be as specified in the applicable Final Terms;
- (ii) where Averaging is specified in the applicable Final Terms:
 - (A) if such Warrants are Call Warrants,

(the arithmetic mean of the Settlement Prices for all the Averaging Dates less Exercise Price) multiplied by, in the case of Debt Linked Warrants only, the nominal amount and divided by, in the case of Warrants in respect of which a Parity is specified in the applicable Final Terms, such Parity;
 - (B) if such Warrants are Put Warrants,

(Exercise Price less the arithmetic mean of the Settlement Prices for all the Averaging Dates) multiplied by, in the case of Debt Linked Warrants only, the nominal amount and divided by, in the case of Warrants in respect of which a Parity is specified in the applicable Final Terms, such Parity; and
 - (C) if such Warrants are neither Call Warrants nor Put Warrants, settlement will be as specified in the applicable Final Terms.

Any amount determined pursuant to the above, if not an amount in the Settlement Currency, will be converted into the Settlement Currency at the Exchange Rate specified in the applicable Final Terms for the purposes of determining the Cash Settlement Amount. The Cash Settlement Amount will be rounded to the nearest two decimal places in the relevant Settlement Currency, 0.005 being

rounded upwards, with Warrants exercised at the same time by the same Warrantholder being aggregated for the purpose of determining the aggregate Cash Settlement Amounts payable in respect of such Warrants or Units, as the case may be. In such cases, the formula for determining the Cash Settlement Amount may include a deduction for Taxes in the manner specified in the applicable Final Terms.

(c) *Physical Settlement*

(i) Exercise Rights in relation to Physical Delivery Warrants

If the Warrants are Physical Delivery Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, entitles its holder, upon due exercise and subject, in the case of Warrants represented by a Global Warrant, to certification as to non-U.S. beneficial ownership, to receive from the Issuer on the Settlement Date the Entitlement subject to payment of the relevant Exercise Price and any other sums payable. The method of delivery of the Entitlement is set out in the applicable Final Terms.

Warrants or Units, as the case may be, exercised at the same time by the same Warrantholder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Warrants or Units, as the case may be, provided that the aggregate Entitlements in respect of the same Warrantholder will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, will not be delivered and no cash adjustment will be made in respect thereof.

Following exercise of a Share Linked Warrant which is a Physical Delivery Warrant, all dividends on the relevant Shares to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares executed on the relevant Actual Exercise Date and to be delivered in the same manner as such relevant Shares. Any such dividends to be paid to a Warrantholder will be paid to the account specified by the Warrantholder in the relevant Exercise Notice as referred to in Condition 5.

(ii) Settlement Disruption

If, following the exercise of Physical Delivery Warrants, in the opinion of the Calculation Agent, delivery of the Entitlement using the method of delivery specified in the applicable Final Terms or such commercially reasonable manner as the Calculation Agent has determined is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on any Settlement Date, then such Settlement Date for such Warrants shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event, provided that the Calculation Agent may require in its sole discretion that the Issuer will satisfy its obligations in respect of the relevant Warrant or Unit, as the case may be, by delivering the Entitlement using such other commercially reasonable manner as it may select and in such event the Settlement Date shall be such day as the Calculation Agent deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Entitlement, the Settlement Date for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Settlement Date. In the event that a Settlement Disruption Event will result in the delivery on a Settlement Date of some but not all of the Relevant Assets comprising the Entitlement, the Calculation Agent shall determine in its discretion the appropriate *pro rata* portion of the Exercise Price to be paid by the relevant Warrantholder

in respect of that partial settlement. For so long as delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Calculation Agent may elect in its sole discretion that the Issuer will satisfy its obligations in respect of the relevant Warrant or Unit, as the case may be, by payment to the relevant Warrantholder of the Disruption Cash Settlement Price (as defined below) on the fifth Business Day following the date that notice of such election is given to the Warrantholders in accordance with Condition 17. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Warrantholder in accordance with Condition 17. The Calculation Agent shall give notice as soon as practicable to the Warrantholder in accordance with Condition 17 that a Settlement Disruption Event has occurred. No Warrantholder shall be entitled to any payment in respect of the relevant Warrant or Unit, as the case may be, in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer or the Guarantor (if any).

For the purposes hereof:

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

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

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

(d) *Variation of Settlement*

- (i) If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Warrants, upon a valid exercise of Warrants in accordance with these Terms and Conditions, the Issuer may (if it has received a notification from the Swap Counterparty that the Swap Counterparty intends to vary settlement under the related Swap Agreement or the Calculation Agent determines that the Issuer should so vary settlement) in respect of each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, elect not to pay the relevant Warrantholders the Cash Settlement Amount or to deliver or procure delivery of the Entitlement to the relevant Warrantholders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Cash Settlement Amount on the Settlement Date to the relevant Warrantholders, as the case may be. Notification of such election will be given to Warrantholders in accordance with Condition 17.
- (ii) If specified in the applicable Final Terms, following a valid exercise of Warrants in accordance with these Conditions, the Issuer shall (if it has received a notification from the Swap Counterparty that the Swap Counterparty intends to vary settlement under the

related Swap Agreement or the Calculation Agent determines that the Issuer should so vary settlement), in respect of each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, in lieu of delivering or procuring the delivery of the Entitlement to the relevant Warrantheolders, make payment of the Cash Settlement Amount on the Settlement Date to the relevant Warrantheolders.

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

Following a valid exercise of Warrants in accordance with these Conditions, the Issuer shall, in its sole and absolute discretion in respect of such Warrants, if the Calculation Agent determines (in its sole and absolute discretion) that the Relevant Asset or Relevant Assets, as the case may be, comprise(s) shares which are not freely tradeable, elect either (i) to substitute for the Relevant Asset or the Relevant Assets, as the case may be, an equivalent value (as determined by the Calculation Agent in its sole and absolute discretion) of such other shares which the Calculation Agent determines, in its sole and absolute discretion, are freely tradeable (the "**Substitute Asset**" or the "**Substitute Assets**", as the case may be) or (ii) not to deliver or procure the delivery of the Entitlement or the Substitute Asset or Substitute Assets, as the case may be, to the relevant Warrantheolders, but in lieu thereof to make payment to the relevant Warrantheolders on the Settlement Date of an amount equal to the fair market value of the Entitlement on the Valuation Date as determined by the Calculation Agent in its sole and absolute discretion by reference to such sources as it considers appropriate (the "**Alternate Cash Amount**"). Notification of any such election will be given to Warrantheolders in accordance with Condition 17.

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

(f) *General*

In relation to any Cash Settled Warrants where Automatic Exercise is specified as applying in the applicable Final Terms, the expressions "**exercise**", "**due exercise**" and related expressions shall be construed to apply to any such Cash Settled Warrants which are automatically exercised in accordance with the above provisions.

None of the Issuer, the Guarantor (if applicable), the Calculation Agent, the Trustee, the Swap Counterparty and any Warrant and Certificate Agent shall have any responsibility for any errors or omissions in the calculation of any Cash Settlement Amount or of any Entitlement.

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

5. **Exercise Procedure**

(a) *Exercise Notice in respect of Clearing System Warrants*

Subject as provided in Condition 5(g), Warrants represented by a Clearing Global Warrant held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, may only be exercised by the delivery, or the sending by fax, of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Agency Agreement (copies of which form may be obtained from the relevant Clearing System and the relevant Warrant and Certificate Agents during normal office hours) to the relevant Clearing System, with a copy to the Principal Warrant and Certificate Agent in accordance with the provisions set out in Condition 4 and this Condition.

- (i) In the case of Cash Settled Warrants, the Exercise Notice shall:
- (A) specify the Series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
 - (B) specify the number of the Warrantholder's securities account at the relevant Clearing System to be debited with the Warrants;
 - (C) irrevocably instruct the relevant Clearing System to debit on or before the Settlement Date the Warrantholder's securities account with the Warrants being exercised;
 - (D) specify the number of the Warrantholder's account at the relevant Clearing System to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
 - (E) include an undertaking to pay all Exercise Expenses, and an authority to the relevant Clearing System to deduct an amount in respect thereof from any Cash Settlement Amount due to such Warrantholder and/or to debit a specified account of the Warrantholder at the relevant Clearing System;
 - (F) certify, in the case of Warrants represented by a Global Warrant that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and, where appropriate, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as indicated and set out in the applicable Final Terms; and
 - (G) authorise the production of such certification in any applicable administrative or legal proceedings,
- all as provided in the Agency Agreement.
- (ii) In the case of Physical Delivery Warrants, the Exercise Notice shall:
- (A) specify the Series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
 - (B) specify the number of the Warrantholder's securities account at the relevant Clearing System to be debited with the Warrants being exercised;
 - (C) irrevocably instruct Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System to debit on or before the Settlement Date the Warrantholder's securities account with the Warrants being exercised or Units, as the case may be, being exercised;
 - (D) irrevocably instruct the relevant Clearing System to debit on the Actual Exercise Date a specified account of the Warrantholder with such Clearing System with the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be (together with any other amounts payable);

- (E) include an undertaking to pay all Exercise Expenses and in the case of Warrants represented by a Global Warrant held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, an authority to the relevant Clearing System to debit a specified account of the Warrantholder at the relevant Clearing System and to pay such Exercise Expenses;
- (F) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and the number of the Warrantholder's account with the relevant Clearing System to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Cash Settlement Price, as applicable, or as a result of the Issuer (following a notification to such effect from the Calculation Agent) electing to pay the Alternate Cash Amount;
- (G) in the case of Currency Linked Warrants only, specify the number of the Warrantholder's account at the relevant Clearing System to be credited with the amount due upon exercise of the Warrants or Units, as the case may be;
- (H) certify, in the case of Warrants represented by a Global Warrant that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and, where appropriate, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as indicated and set out in the applicable Final Terms; and
- (I) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (iii) If Condition 4(e)(ii) applies, the form of Exercise Notice required to be delivered will be different from that set out above. Copies of such Exercise Notice may be obtained from the relevant Clearing System or, as the case may be, the Warrant and Certificate Agents during normal office hours.

If Condition 4(e)(ii) applies, unless the applicable Final Terms specifies otherwise, Warrantholders will be required to deliver an Exercise Notice specifying appropriate information relating to the settlement of Cash Settled Warrants.

(b) *Exercise Notice in respect of Registered Warrants*

The following provisions apply to Registered Warrants:

Warrants may only be exercised by the delivery in writing of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Agency Agreement (copies of which form may be obtained from the Registrar) to the Registrar with a copy to the Principal Warrant and Certificate Agent in accordance with the provisions set out in Condition 4 and this Condition.

- (i) In the case of Cash Settled Warrants, the Exercise Notice shall:
- (A) specify the Series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
 - (B) irrevocably instruct the Registrar to remove from the Register on or before the Settlement Date the Warrants being exercised;
 - (C) specify the details of the account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
 - (D) include an undertaking to pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the exercise of such Warrants ("**Exercise Expenses**") and an authority to the Registrar to deduct an amount in respect thereof from any Cash Settlement Amount due to such Warrantholder;
 - (E) certify that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and, where appropriate, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as indicated and set out in the applicable Final Terms; and
 - (F) authorise the production of such certification in any applicable administrative or legal proceedings,
- all as provided in the Agency Agreement.
- (ii) In the case of Physical Delivery Warrants, the Exercise Notice shall:
- (A) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
 - (B) irrevocably instruct the Registrar to remove from the Register on or before the Settlement Date the Warrants being exercised;
 - (C) include an undertaking to pay to the Issuer the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be (together with any other amounts payable);
 - (D) include an undertaking to pay all Exercise Expenses;
 - (E) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the account to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the

Issuer (following a notification to such effect from the Calculation Agent) electing to pay the Disruption Cash Settlement Price or Failure to Deliver Cash Settlement Price, as applicable, or as a result of the Issuer (following a notification to such effect from the Calculation Agent) electing to pay the Alternate Cash Amount;

- (F) in the case of Currency Linked Warrants only, specify the details of the account to be credited with the amount due upon exercise of the Warrants;
- (G) certify that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any exercise thereof; and, where appropriate, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as indicated and set out in the applicable Final Terms; and
- (H) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (iii) If Condition 4(e)(ii) applies, the form of Exercise Notice required to be delivered will be different from that set out above. Copies of such Exercise Notice may be obtained from the Registrar.

(c) *Verification of the Warrantholder*

In the case of Clearing System Warrants, upon receipt of an Exercise Notice, the relevant Clearing System shall verify that the person exercising the Warrants is the holder thereof according to the books of such Clearing System. Subject thereto, the relevant Clearing System will confirm to the Principal Warrant and Certificate Agent the Series number and the number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for the delivery of the Entitlement of each Warrant or Unit, as the case may be, being exercised. Upon receipt of such confirmation, the Principal Warrant and Certificate Agent will inform the Issuer, Calculation Agent and Swap Counterparty thereof. The relevant Clearing System will on or before the Settlement Date debit the securities account of the relevant Warrantholder with the Warrants being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by the Global Warrant, the Common Depositary will, on the instructions of, and on behalf of the Principal Warrant and Certificate Agent, note such exercise on the Schedule to such Global Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

In the case of Registered Warrants, upon receipt of an Exercise Notice, the Registrar shall verify that the person exercising the Warrants is the Warrantholder according to the Register. Subject thereto, the Registrar shall confirm to the Issuer the Series number and the number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for delivery of the Entitlement of each Warrant or Unit, as the case may be, being exercised. The Registrar will on or before the Settlement Date remove from the Register the Warrants being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by the Registered Global Warrant, the Registrar will note such exercise on the Schedule to the Registered Global Warrant and the number

of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

(d) *Settlement*

(i) Cash Settled Warrants

If the Warrants are Cash Settled Warrants, the Issuer shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant or Unit, as the case may be, to the Warrantholder's account specified in the relevant Exercise Notice for value on the Settlement Date less any Exercise Expenses.

(ii) Physical Delivery Warrants

Subject to payment of the aggregate Exercise Prices and payment of any Exercise Expenses with regard to the relevant Warrants or Units, as the case may be, the Issuer shall on the Settlement Date deliver, or procure the delivery of, the Entitlement for each duly exercised Warrant or Unit, as the case may be, pursuant to the details specified in the Exercise Notice. Subject as provided in Condition 4(d), the Entitlement shall be delivered and evidenced in such manner as set out in the applicable Final Terms.

(e) *Determinations*

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by (i) in the case of Clearing System Warrants, the relevant Clearing System or (ii) in the case of Registered Warrants, the Registrar, in each case, in consultation with the Principal Warrant and Certificate Agent and shall be conclusive and binding on the Issuer, the Guarantor, if any, the Warrant and Certificate Agents and the relevant Warrantholder. Subject as set out below, any Exercise Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Warrant and Certificate Agent or the Issuer, as the case may be immediately after being delivered or sent to the relevant Clearing System, or the Registrar as provided in Condition 5(b) above, as the case may be, shall be null and void. In the absence of negligence or wilful misconduct on its part, none of the Issuer or, the Guarantor, if any, shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Warrantholder.

If such Exercise Notice is subsequently corrected to the satisfaction of the relevant Clearing System or the Registrar, as the case may be, in consultation with the Principal Warrant and Certificate Agent, it shall be deemed to be a new Exercise Notice submitted at the time such correction was delivered to the relevant Clearing System or the Registrar, as the case may be, and the Principal Warrant and Certificate Agent or the Issuer, as the case may be.

If (A) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (B) the Warrants are Physical Delivery Warrants, any Warrant with respect to which the Exercise Notice has not been duly completed and delivered in the manner set out above before the Expiration Date specified in Condition 4(a), in the case of American Style Warrants, or Condition 4(b), in the case of European Style Warrants, shall become void.

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

(f) *Delivery of an Exercise Notice*

Delivery of an Exercise Notice shall constitute an irrevocable election by the relevant Warrantholder to exercise the Warrants specified. After the delivery of such Exercise Notice, such exercising Warrantholder may not transfer such Warrants.

(g) *Automatic Exercise*

- (i) This Condition only applies if the Warrants are Cash Settled Warrants, Automatic Exercise is specified as applying in the applicable Final Terms and Warrants are automatically exercised as provided in Condition 4(a) or Condition 4(b).
- (ii) Unless otherwise provided in the applicable Final Terms, no Exercise Notice is required to be submitted or any other action required to be taken by any relevant Warrantholder in order to receive the Cash Settlement Amount in respect of such Warrant, or if Units are specified in the applicable Final Terms, a Unit, as the case may be. The Issuer shall transfer or cause to be transferred to each Clearing System through which such Warrants are held an amount equal to the aggregate of the Cash Settlement Amounts in respect of the Warrants held in each such Clearing System and each such Clearing System shall, subject to having received such aggregate Cash Settlement Amount, on the Settlement Date credit the account of each Warrantholder of such Warrant(s) in its books with an amount equal to the aggregate Cash Settlement Amount relating to the Warrant(s) held by such Warrantholder and on or before the Settlement Date debit such account with the number of Warrants exercised and in respect of which such Cash Settlement Amount is being paid. Neither the Issuer nor, if applicable, the Guarantor shall have any responsibility for the crediting by the relevant Clearing System of any such amounts to any such accounts.
- (iii) Unless otherwise provided in the applicable Final Terms in order to receive the Cash Settlement Amount in respect of a Warrant, or if Units are specified in the applicable Final Terms, a Unit, as the case may be, the relevant holder must, in the case of Registered Warrants, deliver in writing a duly completed Exercise Notice to the Registrar with a copy to the Principal Warrant and Certificate Agent, on any Business Day until not later than 10.00 a.m., Luxembourg time, on the Business Day immediately preceding the day (the "**Cut-off Date**") falling 180 days after (A) the Expiration Date, in the case of American Style Warrants or (B) the Actual Exercise Date, in the case of European Style Warrants. The Exercise Notice shall include the applicable information set out in the Exercise Notice referred to in Condition 5(a)(i), Condition 5(a)(ii), Condition 5(a)(iii), Condition 5(b)(i), Condition 5(b)(ii) or Condition 5(b)(iii), as applicable. The Business Day during the period from the Expiration Date or the Actual Exercise Date, as the case may be, until the Cut-off Date on which an Exercise Notice is delivered to the relevant Clearing System, or in the case of Registered Warrants, the Registrar, and a copy thereof delivered to the Principal Warrant and Certificate Agent is referred to in this Condition 5(g) as the "**Exercise Notice Delivery Date**", provided that, in the case of Registered Warrants, if the Exercise Notice is received by the Registrar or the copy thereof received by the Principal Warrant and Certificate Agent after 10.00 a.m., Luxembourg time, on any Business Day, such Exercise Notice shall be deemed to have been delivered on the next Business Day, which Business Day shall be deemed to be the Exercise Notice Delivery Date.

Subject to the relevant Warrantholder performing its obligations in respect of the relevant Warrant or Unit, as the case may be, in accordance with these Conditions, the Settlement Date for such Warrants or Units, as the case may be, shall be the fifth Business Day following the Exercise Notice Delivery Date. In the event that a Warrantholder does not, where applicable, so deliver an Exercise Notice in accordance with this Condition 5(g) prior to, in the case of Registered Warrants, 10.00 a.m., Luxembourg time, on the Cut-off Date, the Issuer's obligations in respect of such Warrants shall be discharged and no further liability in respect thereof shall attach to the Issuer or

the Guarantor, if any. For the avoidance of doubt, a Warrantholder shall not be entitled to any payment, whether of interest or otherwise, in respect of the period from the Actual Exercise Date to the Settlement Date.

(h) *Exercise Risk*

Exercise of the Warrants is subject to all applicable laws, regulations and practices in force on the relevant Exercise Date and none of the Issuer, the Guarantor, if any, the Registrar or the Warrant and Certificate Agents shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. None of the Issuer, the Guarantor, if any, the Trustee or the Agents shall under any circumstances be liable for any acts or defaults of the relevant Clearing System in relation to the performance of its duties in relation to the Warrants.

6. **Minimum and Maximum Number of Warrants Exercisable**

(a) *American Style Warrants*

This Condition 6(a) applies only to American Style Warrants.

- (i) The number of Warrants exercisable by any Warrantholder on any Actual Exercise Date or, in the case of Automatic Exercise, the number of Warrants held by any Warrantholder on any Actual Exercise Date, in each case as determined by the Calculation Agent, must not be less than the Minimum Exercise Number specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.
- (ii) If the Calculation Agent determines that the number of Warrants being exercised on any Actual Exercise Date by any Warrantholder or a group of Warrantholders (whether or not acting in concert) exceeds the Maximum Exercise Number (a number equal to the Maximum Exercise Number being the "**Quota**"), the Calculation Agent may deem the Actual Exercise Date for the first Quota of such Warrants, selected at the discretion of the Calculation Agent, to be such day and the Actual Exercise Date for each additional Quota of such Warrants (and any remaining number thereof) to be each of the succeeding Exercise Business Days until all such Warrants have been attributed with an Actual Exercise Date, provided, however, that the deemed Actual Exercise Date for any such Warrants which would thereby fall after the Expiration Date shall fall on the Expiration Date. In any case where more than the Quota of Warrants is exercised on the same day by holder(s) of Warrants, the order of settlement in respect of such Warrants shall be at the sole discretion of the Calculation Agent.

(b) *European Style Warrants*

This Condition 6(b) applies only to European Style Warrants.

The number of Warrants exercisable by any Warrantholder on the Exercise Date, as determined by the Calculation Agent, must be equal to the Minimum Exercise Number specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

7. **Force Majeure**

Save where a Force Majeure constitutes an Optional Additional Disruption Event and is specified as being applicable in the relevant Final Terms, if the Calculation Agent determines that by reason of force majeure or act of state occurring after the Trade Date it becomes impossible or impracticable for the Issuer to perform in whole or in part its obligations under the Warrants and/or any related hedging arrangements, the Issuer may cancel the Warrants by giving notice to Warrantholders in accordance with Condition 17.

If the Issuer cancels the Warrants then the Issuer will, if and to the extent possible or practicable, pay an amount (if any) to each Warrantholder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by such Warrantholder, which amount shall be the fair market value (if any) of a Warrant or Unit, as the case may be, taking into account such force majeure or act of state less the cost to the Swap Counterparty and/or its Affiliates of unwinding the relevant Swap Agreement any underlying related hedging arrangements plus, if applicable and if already paid by or on behalf of the Warrantholder, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Any payment will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 17.

8. **Purchases and Cancellation**

(a) *Purchases*

If the Issuer has satisfied the Trustee that it has made arrangements for the realisation of no more than the equivalent proportion of the Compartment Assets, for the repayment of no more than the equivalent proportion of any amount deposited under any Deposit Agreement, for the termination of no more than the equivalent proportion of any Swap Agreement and for the cancellation of the Warrants, which transaction will leave the Issuer with no net liabilities in respect thereof, the Issuer may at any time purchase Warrants at any price in the open market or otherwise, in accordance with applicable laws and regulations. The Trustee will accept as evidence of the satisfaction of the criteria to such purchase a certificate (which it may rely on without further enquiry) of the Issuer confirming such arrangements and confirming that the remaining Charged Assets are sufficient to secure the Issuer's remaining obligations in respect of the remaining Warrants. If required by any applicable law or regulation, Warrants purchased by or on behalf of the Issuer will be surrendered for cancellation (within one Business Day of such purchase), in the case of Registered Warrants, by surrendering the certificate representing such Warrants to the Registrar.

In such circumstances:

- (i) the Issuer and the Secured Parties will be deemed to have consented to the release of the security in respect of that proportion of the Charged Assets that corresponds to the proportion that the number of Warrants being purchased bears to the total prior of Warrants remaining unexercised immediately prior to such purchase;
- (ii) unless an Event of Default or Potential Event of Default (as defined in the Trust Deed) has occurred and the Trustee has actual notice of such occurrence, such proportion of the Charged Assets shall be deemed to have been released from the security created under the Supplemental Trust Deed.

(b) *Cancellation*

All Warrants which are purchased by the Issuer will forthwith be cancelled and may not be reissued or resold (including where on early termination of any Total Return Swap Agreement, in lieu of making a termination payment to the Issuer, the TRS Counterparty satisfies its obligations to pay such amount by delivery to the Issuer of a number of Warrants equal to the TRS Holding at

the date on which the Total Return Swap Agreement terminated by no later than the next date on which it is due to make a payment on the Warrants). Upon such cancellation, in the case of Warrants which are admitted to trading on the regulated market of the Luxembourg Stock Exchange and listed on the Official List of the Luxembourg Stock Exchange, the Issuer will forthwith inform the Luxembourg Stock Exchange of such cancellation. All Warrants so cancelled and any Warrants purchased and cancelled pursuant to paragraph (a) above shall be forwarded to the Principal Warrant and Certificate Agent or, in the case of Registered Warrants, the Registrar, and cannot be reissued or resold.

(c) *Early Termination Events*

The applicable Final Terms may specify that any of the following events set out in this paragraph applies. If any does so apply then in each case, in the event that the Calculation Agent notifies the Issuer and (if applicable) the Guarantor in writing (with a copy to the Trustee, on which notification the Trustee shall rely without further investigation or enquiry) that it has determined that one or more (as applicable) of the following events (each, an "**Early Termination Event**") has occurred:

- (i) there is a payment default in respect of any of the Charged Assets (other than the relevant Swap Agreement) (an "**Asset Payment Default Event**");
- (ii) the issuer or primary obligor in respect of any of the Compartment Assets (each, a "**Compartment Assets Issuer**") or any guarantor (if applicable) of the Compartment Assets Issuer's obligations in respect of any Compartment Assets fails to perform or observe any of its other obligations under the relevant Compartment Assets and the failure continues after the expiration of any applicable grace period (an "**Asset Default Event**"); or
- (iii) any of the Compartment Assets is, for any reason, redeemed or otherwise terminated prior to its scheduled redemption or termination date (an "**Asset Redemption Event**"); or
- (iv) there is a payment default in respect of any of the Charged Assets (other than the relevant Swap Agreement) or the aggregate amount received by the Issuer in respect of the Charged Assets on the redemption date, expiration date or other date for final payment in respect of the Charged Assets is less than the aggregate of the Cash Settlement Amounts payable by the Issuer in respect of the Warrants (an "**Asset Payment Shortfall Event**"); or
- (v) on or after the Trade Date, (A) due to the adoption of any change in any applicable law or regulation (including, without limitation, any tax law) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority or brought in a court of competent jurisdiction), either (1) any amount is required to be deducted or withheld for or on account of any tax, levy, impost, duty, charge, assessment or fee of any nature imposed by any government or other taxing authority in respect of any payment to be received by the Issuer under one or more Compartment Assets or (2) the Issuer becomes obliged to pay any amount for or on account of any tax, levy, impost, duty, charge, assessment or fee of any nature imposed by any government or other taxing authority in respect of (I) any payment received by the Issuer under one or more Compartment Asset or (II) holding, acquiring or disposing of any Compartment Asset (a "**Compartment Tax Event**"); or
- (vi) the early termination of any Swap Agreement (or any other agreement specified as a Related Agreement in the Final Terms) entered into in respect of the Warrants other than where the Issuer is the Defaulting Party (as defined in the relevant Swap Agreement) thereunder and the relevant event of default relates to the insolvency of the Issuer or under

the Warrants or due to the purchase by the Issuer of all the outstanding Warrants of a Series (a "**Related Agreement Termination Event**"); or

- (vii) where an Annex to these Conditions is applicable, and in any event with respect to Condition 8(e)(B) below, the Calculation Agent notifies the Issuer that an event has occurred in respect of which the Calculation Agent in its sole and absolute discretion determines it is not possible to make an adjustment in respect of such event and that the Warrants should be cancelled early as contemplated in either (A) such Annex or (B) Condition 8(e)(B), as the case may be (an "**Annex Early Termination Event**");
- (viii) on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any law or regulation in respect of tax, solvency or capital requirements), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing or financial authority) or the combined effect thereof if occurring more than once, the Issuer or the Calculation Agent determines in its sole and absolute discretion that it has become illegal for (1) the Issuer to perform its obligations in respect of any Warrants or the Swap Counterparty to perform its obligations in respect of any Swap Agreement, (2) for the Issuer to hold, acquire or dispose of relevant hedge positions relating to any Warrants or for the Swap Counterparty to hold, acquire or dispose of relevant hedge positions relating to any Swap Agreement save where such an event in (A) or (B) would constitute an Additional Disruption Event or Optional Additional Disruption Event (in the case of Index Linked Warrants, Share Linked Warrants, Commodity Linked Warrants, Currency Linked Warrants, Fund Linked Warrants or ETI Linked Warrants) or an Extraordinary Fund Event (in the case of Fund Linked Warrants) or an Extraordinary ETI Event (in the case of ETI Linked Warrants) or the Warrants are Inflation Index Linked Warrants, or (3) for the Issuer to hold, acquire or dispose of any Compartment Assets (a "**Compartment Change in Law Event**"); or
- (ix) such other circumstances set out in the applicable Final Terms (each an "**Additional Early Termination Event**"),

the Issuer shall forthwith give not more than 30 nor less than 15 days' notice (which notice shall be irrevocable) to the Trustee and the Warrantholders pursuant to Condition 17 (*Notices*) prior to the specified date of cancellation (the "**Early Termination Date**") that it intends to cancel the Warrants in accordance with this Condition 8(c), and upon the expiry of such notice, the Issuer shall cancel all, but not some only, of the Warrants and the Warrantholders shall be entitled to the Liquidation Proceeds.

Where the Warrantholders are entitled to Liquidation Proceeds, the Issuer shall appoint an agent to sell or otherwise realise the Charged Assets (the "**Disposal Agent**") which shall be the Calculation Agent (or such other party as may be agreed by the Issuer and the Trustee provided that, for the avoidance of doubt, the Disposal Agent may not be the Issuer) and each Warrant shall be entitled to a *pro rata* share of the Liquidation Proceeds. "**Liquidation Proceeds**" shall be an amount, subject to a maximum equal to the Liquidation Proceeds Cap, equal to the amounts received by or on behalf of the Issuer upon the sale or realisation of the Charged Assets (including, without limitation, any termination payment received by the Issuer under the relevant Swap Agreement and/or the amount received by the Issuer in respect of the Charged Assets on the redemption date, expiration date or other date for final payment in respect of the Charged Assets) after the deduction of any fees (including, without limitation, any legal fees), costs, expenses and taxes incurred by any Disposal Agent (for itself and on behalf of the Issuer), in respect of the sale or realisation of the Charged Assets and the early termination of the Warrants, any due and unpaid fees, costs and expenses of the Trustee and the Agents and any amounts due to be paid to the Swap Counterparty under the Swap Agreement. "**Liquidation Proceeds Cap**" means (A) in the case of cancellation of

the Warrants as a result of an Early Termination Event, the Cash Settlement Amount (calculated on the basis that any reference to the Exercise Date in relation to the determination thereof shall be deemed to be a reference to the Early Termination Date) that would have been payable (if Automatic Exercise were applicable to the Warrants and such Warrants were exercised in accordance with Automatic Exercise on the Early Termination Date) but for the occurrence of the Early Termination Event; or (B) following a Warrant Acceleration, the Cash Settlement Amount (calculated on the basis that any reference to the Exercise Date in relation to the determination thereof shall be deemed to be a reference to the date on which notice of Warrant Acceleration was given by the Trustee in accordance with Condition 11 (*Events of Default*) that would have been payable (if Automatic Exercise were applicable to the Warrants and such Warrants were exercised in accordance with Automatic Exercise on the date on which notice of Warrant Acceleration was given by the Trustee in accordance with Conditions 11 (*Events of Default*)) but for the occurrence of the Event of Default.

Unless specified otherwise in the applicable Final Terms, the Early Termination Amount will be "**Liquidation Proceeds**" as defined above.

(d) *Termination at the Option of the Issuer*

If the Issuer is specified in the applicable Final Terms as having an option to terminate, the Issuer may, having (unless otherwise specified in the applicable Final Terms) given not less than 15 nor more than 30 days' notice, in accordance with Condition 17 (*Notices*), to the Warrantholders (with a copy to the Trustee) (which notice shall be irrevocable and shall specify the date fixed for redemption), cancel all or some only of the Warrants then unexercised on any Optional Termination Date(s) and at the Optional Termination Amount(s) each as specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Termination Date(s).

In the case of a partial termination of Warrants, the Warrants to be terminated will be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg in the case of Warrants represented by a global Warrant held on behalf of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and/or Clearstream, Luxembourg as a pool factor) and in accordance with the rules of the relevant securities depositary and any relevant provisions in the applicable Final Terms (in the case of Registered Warrants), in each case not more than 30 days prior to the date fixed for termination (the "**Selection Date**").

(e) *Additional Disruption Events and Optional Additional Disruption Events*

In respect of Debt Linked Warrants any reference in this Condition 8(e) to "Share" and "Share Company" shall be deemed to be references to "Debt Instruments" and "Debt Instrument Issuer" respectively in respect of such Debt Linked Warrants.

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

"**Cancellation Event**" means, that in the determination of the Calculation Agent, all or some of the Debt Instruments are redeemed prior to their stated maturity date for any reason, and as a result thereof it is impossible, impracticable or unduly onerous for (i) the Issuer to hedge the Issuer's obligations in respect of the Warrants and/or (ii) the Swap Counterparty or its Affiliates to hedge the Swap Counterparty's obligations in respect of the Swap Agreement;

"**Change in Law**" means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any law or regulation in respect of tax, solvency or capital requirements), or (b) due to the promulgation of or any change in the interpretation or application of any law or regulation

by any court, tribunal or regulatory or other supervisory authority with competent jurisdiction (including any action taken by a taxing or financial authority or any supervisory authority) or the combined effect thereof if occurring more than once, the Calculation Agent determines in its sole and absolute discretion that:

- (a) it has become illegal for the Issuer, the Swap Counterparty and/or any of their Affiliates to hold, acquire or dispose of any relevant hedge position relating to an Index (in the case of Index Linked Warrants), any relevant hedge position relating to a Share (in the case of Share Linked Warrants), any relevant hedge position relating to an ETI Interest (in the case of ETI Linked Warrants), any relevant hedge position relating to a Commodity or Commodity Index (in the case of Commodity Linked Warrants) or any relevant hedge position relating to a Fund Share (in the case of Fund Linked Warrants) (each a "**Hedge**"); or
- (b) the Swap Counterparty or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency or capital requirements) in performing its obligations in respect of the Swap Agreement or in holding, acquiring or disposing of any Hedge;

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

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

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

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

Affiliates or the Swap Counterparty, of all or substantially all of its assets in the Local Currency jurisdiction;

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

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

"Hedging Shares" means the number of components comprised in an Index (in the case of Index Linked Warrants) or the number of Shares (in the case of Share Linked Warrants) that the Swap Counterparty and/or any of its Affiliates deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Swap Agreement;

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

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

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

"Insolvency Filing" means that a Share Company or Basket Company institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents

to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company or Basket Company shall not be deemed an Insolvency Filing;

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

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

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

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

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

- (B) If an Additional Disruption Event and/or an Optional Additional Disruption Event occurs (other than in respect of Failure to Deliver due to Illiquidity), the Calculation Agent may take the action described in (a) or, if applicable, (b), (c) or (d) below, as the case may be, provided that where the circumstances giving rise to such Additional Disruption Event and/or Optional Additional Disruption Event result in a determination, adjustment or calculation being made in respect of the relevant Swap Agreement, the Calculation Agent shall, to the extent applicable, make the corresponding determination, adjustment or calculation in respect of the Warrants:

- (a) determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and/or Optional Additional Disruption Event and determine the effective date of that adjustment;
- (b) on giving notice to Warrantholders in accordance with Condition 17 (*Notices*), require the Issuer to cancel all but not some only of the Warrants, each Warrant being settled by payment of an amount equal to the fair market value of a Warrant taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less the cost to the Swap Counterparty and/or its Affiliates of unwinding any underlying related hedging arrangements (unless provided for otherwise in the applicable Final Terms), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 17 (*Notices*); or
- (c) in the case of Index Linked Warrants linked to a Custom Index, use commercially reasonable efforts to select a successor index with a substantially similar formula for and method of calculation as the Custom Index within twenty (20) Scheduled Custom Index Business Days of the occurrence of the relevant Additional Disruption Event or Optional Additional Disruption Event and, upon selection of such successor index (the "**Successor Index**"), the Calculation Agent shall promptly notify the Issuer and the Issuer will give notice to the Warrantholders in accordance with Condition 17 (*Notice*) and such index shall become the Successor Index and deemed to be a "Custom Index" for the purposes of the Warrants and the Calculation Agent will make such adjustment, if any, to one or more of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for the substitution. Such substitution and any relevant adjustment to the Terms and Conditions and/or the applicable Final Terms will be deemed to be effective as of the date selected by the Calculation Agent in its sole and absolute discretion which may, but need not be the date on which the relevant Additional Disruption Event or Optional Additional Disruption Event occurred; or
- (d) in the case of Share Linked Warrants linked to a Basket of Shares, adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each a "**Substitute Share**") for each Share (each an "**Affected Share**") which is affected by the Additional Disruption Event and/or Optional Additional Disruption Event and the Substitute Share will be deemed to be a "Share" and the relevant issuer of such shares a "Basket Company" for the purposes of the Warrants, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Warrants are Physical Delivery Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Warrants was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

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

where:

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

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

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

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

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

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

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

If a Failure to Deliver due to Illiquidity occurs:

- (X) subject as provided elsewhere in the Terms and Conditions of the Warrants, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Expiration Date or the Exercise Date, as applicable, in accordance with Condition 4(d) (*Physical Settlement*); and
- (Y) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof, the Calculation Agent may, in its sole discretion, require that the Issuer satisfies its obligations in respect of the relevant Warrants by payment to the relevant Warrantholders of the Failure to Deliver Settlement Price on the fifth Business Day following the date that notice of such election is given to the Warrantholders in accordance with Condition 17 (*Notices*). Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 17 (*Notices*).

For the purposes hereof:

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

discretion (or, where as provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion).

- (C) Notwithstanding any other provision of these Conditions, in exercising its discretion in the manner set out in Condition 8(e)(B) above, the Calculation Agent shall, to the extent applicable to the relevant Warrants, take into account any corresponding or similar determination or selection or any other adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Additional Disruption Event or Optional Additional Disruption Event.
- (D) Upon the occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable and the Issuer shall give notice as soon as practicable to the Warrantholders in accordance with Condition 17 (*Notices*) stating the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.
- (E) In determining to take a particular action as a result of an Additional Disruption Event or Optional Additional Disruption Event, the Calculation Agent is under no duty to consider the interests of Warrantholders or any other person. In making any determination as to which action to take following the occurrence of an Additional Disruption Event or Optional Additional Disruption Event, none of the Calculation Agent, the Issuer or the Swap Counterparty shall be responsible for any loss (including liability in respect of interest), underperformance or opportunity cost suffered or incurred by Warrantholders or any other person in connection with the Warrants as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Warrant.

(f) *Settlement Date Extension*

Where:

- (A) "**Settlement Date Extension**" is specified in the applicable Final Terms as being applicable on the Early Termination Date (or on the Settlement Date if the Early Termination Event occurs on such date); and/or
- (B) Swap Termination Without Cancellation is specified in the applicable Final Terms as being applicable, a Swap Default has occurred and the Issuer has not received any Early Termination Amount (as defined in the Swap Agreement) due to it in the manner set out in Condition 9(k) (*Swap termination*) on or prior to the Settlement Date,

the terms of this Condition 8(f) shall apply as set out below, provided that, where sub-clause (B) applies and no Early Termination Event has also occurred, the provisions of Conditions 8(f)(i), 8(f)(ii) and 8(f)(vi) only shall apply.

- (i) Where the Issuer has not received in full the amount it is scheduled to receive on or prior to such date in respect of any of the Charged Assets relating to the relevant Warrants (such assets, the "**Non-Performing Assets**") it shall, on the Early Termination Date or the Settlement Date, as the case may be, pay any amounts it has received in respect of the Charged Assets *pro rata* to the Warrantholders (provided that all amount(s) which are to be deducted from such amounts in accordance with the definition of Liquidation Proceeds have been paid in full or, where a Swap Default has occurred and Swap Termination Without Cancellation applies and no Early Termination Event has occurred, the amounts which are to be deducted as set out in Condition 9(k) (the "**Deduction Amounts**")) and settlement or cancellation, as the case may be, of the Warrants will be postponed until the

date specified in the applicable Final Terms as the "Extended Settlement Date" (the "**Extended Settlement Date**"), provided that if during the Extension Period the Calculation Agent gives at least three Business Days' notice to the Issuer that the Calculation Agent, in its sole discretion, has determined that the Issuer will not receive any further amounts in respect of the Non-Performing Assets and that it will not be possible to realise any further amounts in respect of the Non-Performing Assets, the date on which such notice expires shall be deemed to be the actual Extended Settlement Date and no further amounts shall be paid by the Issuer in respect of the Warrants following such date.

- (ii) On each day in the Extension Period falling three Business Days after the receipt of any amounts by the Issuer in respect of any Non-Performing Asset, the Issuer shall procure that such amounts are paid *pro rata* to the Warrantholders as set out in Condition 8(f)(v) and provided that the Deduction Amounts have been paid in full.
- (iii) The Issuer shall appoint an agent (which may be the Swap Counterparty, provided the Swap Counterparty is not the obligor in respect of a relevant Non-Performing Asset, or the Trustee or any other party which the Issuer may appoint with the consent of the Trustee) to assist it in recovering amounts in respect of the Non-Performing Assets (a "**Realisation Agent**"). Any fees, costs and expenses charged and incurred by the relevant Realisation Agent will be deducted from the amounts available to pay Warrantholders or any other Secured Party which is entitled to such amounts.
- (iv) If "**Sale of Assets**" is specified in the applicable Final Terms and there is a Non-Performing Asset, the Issuer shall, at the request of the Calculation Agent, procure that any Non-Performing Asset and any other Charged Asset in respect of the relevant Compartment (or the Issuer's rights thereto) which the Issuer is requested by the Calculation Agent to sell shall be sold by the relevant Disposal Agent prior to the Extended Settlement Date and the proceeds from such sale (less any costs or expenses incurred in such sale) will be applied in accordance with the terms of this Condition 8(f) and, if the Calculation Agent determines, in its discretion acting reasonably, that such sale is not possible in respect of any Non-Performing Asset, it shall be deemed that the amount received in respect of such Non-Performing Asset is equal to zero.
- (v) The total amount received in respect of the Charged Assets in the period from, and including, the Maturity Date or the Early Termination Date, as the case may be, to, but excluding, the Extended Settlement Date (the "**Extension Receipts**") shall be deemed to form part of the Liquidation Proceeds as set out in Condition 8(c) provided that, to the extent amounts are owed to Secured Parties other than the Warrantholders in respect of the relevant Series of Warrants, the Issuer shall apply the Extension Receipts in accordance with the applicable Order of Priority which would apply following a Warrant Acceleration in respect of the Warrants and any reference to amounts being paid to the Warrantholders in this Condition 8(f) shall be construed accordingly.
- (vi) As used in this Condition 8(f), "**Extension Period**" means the period from, but excluding, the Settlement Date or the Early Termination Date to, and including, the Extended Settlement Date.

9. **Compartment Assets**

(a) *Compartment Assets*

- (i) In respect of any Series of Warrants, "**Compartment**" shall mean the compartment created by the Board of the Issuer pursuant to the Securitisation Act 2004 under which the Warrants are to be issued. Each Compartment will comprise a pool of Issuer assets and liabilities separate from the pools of Issuer assets and liabilities relating to any other

Compartments. In respect of any Series of Warrants, such assets will consist of the Charged Assets (as defined in Condition 9(c) (*Compartment Security*) below), which Charged Assets may include, *inter alia*, the assets described in the applicable Final Terms as "Compartment Assets" (the "**Compartment Assets**").

- (ii) Subject to the Trust Deed, in order to meet any part of its obligations under the Warrants in respect of (A) any redemption thereof, (B) any Related Agreements, (C) any agreements for the purchase of the Warrants or (D) any other payments (if any) due from the Issuer under these Conditions and/or the Trust Deed in relation to the Warrants), the Issuer may, at any time, procure the liquidation of some or all of the Compartment Assets.
 - (iii) In accordance with the Securitisation Act 2004, the Charged Assets are available exclusively to satisfy the rights of the Secured Parties (as defined in Condition 9(e) (*Application of Proceeds*)).
 - (iv) In connection with the issue of the Warrants there may be executed one or more interest rate and/or currency exchange agreements, credit default swap agreements, swap agreements exchanging payment flows on an asset, total return swap agreements, option agreements and/or other derivative transactions (each a "**Swap Agreement**") between the Issuer and one or more swap counterparties (each a "**Swap Counterparty**") and one or more deposit agreements (each a "**Deposit Agreement**") between the Issuer and one or more deposit counterparties (each a "**Deposit Counterparty**") and one or more repurchase agreements (each a "**Repurchase Agreement**") with BNP Paribas or any other entity as specified in the Final Terms (each a "**Repo Counterparty**" and, together with each Swap Counterparty and Deposit Counterparty, each a "**Counterparty**"). In addition, in connection with any issue of Warrants, the Issuer and the Swap Counterparty may enter into a credit support annex, credit support deed or pledge or such other security interest governed by the law of such other jurisdiction specified in the applicable Final Terms over collateral in favour of the Issuer in connection with any relevant Swap Agreement (a "**Credit Support Annex**", a "**Credit Support Deed**" and a "**Pledge**") respectively and, together with the Swap Agreement, the Deposit Agreement and the Repurchase Agreement, the "**Related Agreements**").
 - (v) Where no reference is made in the Supplemental Trust Deed to any Swap Agreement, Repurchase Agreement or Deposit Agreement, references in these Terms and Conditions to any such document or agreement and to any Swap Counterparty, Repo Counterparty or Counterparty, as the case may be, shall not be applicable.
- (b) *Custodian; Custody Account; Account Bank; Compartment Account*
- (i) Each Custody Account (as defined below), together with such Compartment Assets as are capable of being so held, will be held by the Custodian on behalf of the Issuer, and each Compartment Account (as defined below) will be held by the Account Bank, in each case on and subject to (A) the terms and conditions of the Agency Agreement, (B) the Securitisation Act 2004 and (C) in the cases of the Compartment Assets, the Custody Account and the Compartment Account, the terms and conditions of the Compartment Security created pursuant to the Trust Deed and/or any Additional Security Document. Unless otherwise specified in the applicable Final Terms, the Issuer reserves the right to replace the Custodian at any time, but only with the prior written consent of the Trustee and in accordance with (x) the provisions of the Securitisation Act 2004 and (y) the relevant CSSF instructions and/or guidelines. Notice of such change shall be given to the Warrantholders in accordance with Condition 17 (*Notices*). If it is specified in the applicable Final Terms that there is a Sub-Custodian in relation to the Compartment Assets, such Sub-Custodian (which expression shall include any additional or successor sub-custodians from time to time appointed) shall hold such Compartment Assets as are capable of being so held on behalf of the Custodian, on and subject to the terms of an

agreement between the Sub-Custodian and the Custodian. References herein to the "**Custodian**" shall, as the context requires, be construed as references to the Custodian, the Sub-Custodian and/or any additional or successor custodians appointed from time to time.

- (ii) If the Charged Assets of the Issuer in respect of a Compartment include Compartment Assets, in respect of such Compartment the Custodian (on behalf of the Issuer) shall establish and maintain an account in the name of the Issuer (the "**Custody Account**") with a bank or other financial institution (which shall be the Custodian unless otherwise specified in the applicable Final Terms). The Custody Account for the Compartment shall be entirely separate from any other accounts of the Issuer and the Custodian, including, without limitation, the accounts established in connection with any other Compartment(s). Such Compartment Assets shall only be removed from the Custody Account at such times and in such amounts as are contemplated in these Terms and Conditions and the Trust Deed or in order for the Issuer (or any appointee on its behalf) and the Trustee (or any receiver) to fulfil their respective obligations under the Warrants and pursuant to the Trust Deed.
- (iii) If the Charged Assets of the Issuer in respect of a Compartment include a Deposit Agreement, or otherwise if specified in the applicable Final Terms, in respect of such Compartment the Issuer shall establish and maintain an account in the name of the Issuer (the "**Compartment Account**") with a bank or other financial institution (which shall be the Account Bank unless otherwise specified in the applicable Final Terms). The Compartment Account for the Compartment shall be entirely separate from any other accounts of the Issuer and the Account Bank, including, without limitation, the accounts established in connection with any other Compartment(s). Amounts standing to the credit of the Compartment Account shall only be removed from the Compartment Account at such times and in such amounts as are contemplated in these Terms and Conditions and the Trust Deed or in order for the Issuer (or any appointee on its behalf) and the Trustee (or any receiver) to fulfil their respective obligations under the Warrants and pursuant to the Trust Deed.

(c) *Compartment Security*

- (i) The Issuer has (as specified in the Supplemental Trust Deed relating to the Warrants or in another relevant security document relating to the Warrants), assigned or created a first fixed charge, and/or other security interest, in each case in favour of the Trustee for itself and as trustee for the Secured Parties, over or in respect of:
 - (A) the present and future Compartment Assets relating to the relevant Compartment and all of the Issuer's rights, title, interest and benefit, present and future, in respect of sums derived from the present and future Compartment Assets relating to the relevant Compartment (including, without limitation, any proceeds of the sale thereof);
 - (B) (x) the Issuer's rights, title, interest and benefit, present and future, in, to and under all sums held by the Agents, the Account Bank (including sums standing to the credit of the Compartment Account) and the Custodian to meet payments due in respect of the Warrants relating to the relevant Compartment (the "**Cash Assets**"); (y) any sums of money, securities or other property received or receivable by the Issuer under any Related Agreement (including, without limitation, any Swap Agreement, any Deposit Agreement and any Repurchase Agreement) relating to the relevant Compartment; and (z) all of the Issuer's rights, title, interest and benefit, present and future, as against the Custodian in respect of any sum standing to the credit of the Custody Account (as defined in Condition 9(b) relating to the relevant Compartment); and

- (C) the Issuer's rights, title, interest and benefit, present and future, in, to and under any Transaction Document (including without limitation any Swap Agreement, any Deposit Agreement and any Repurchase Agreement) and any agreement for the sale, transfer and/or delivery of assets relating to the relevant Compartment (as contemplated under Condition 9(a) and any sums received or receivable by the Issuer under any such agreement.
 - (ii) If it is stated in the applicable Final Terms that the security for the Warrants is "Charged Assets charged to Trustee; additional foreign law security", the Issuer has in the Supplemental Trust Deed created the security specified in sub-paragraph (i) above and has, in addition and without prejudice to the security specified as aforesaid, executed in favour of the Trustee the pledge or security or other agreement or document specified in the applicable Final Terms (each an "**Additional Security Document**").
 - (iii) The security described in sub-paragraph (i) and, as the case may be, sub-paragraph (ii) shall be referred to herein as the "**Compartment Security**" and the assets described in sub-paragraph (i) and, as the case may be, sub-paragraph (ii) shall be referred to herein as the "**Charged Assets**".
- (d) *General provisions relating to security*
- Unless otherwise specified in the applicable Final Terms, the Compartment Security constituted or created pursuant to the Trust Deed and any Additional Security Document will be granted to the Trustee for itself and for the other Secured Parties (as defined in Condition 9(e) as continuing security for (i) the payment of all sums due to the Trustee or any appointee or any receiver under the Trust Deed and/or any Additional Security Document or due under the Warrants, (ii) the performance of the Issuer's obligations under any Related Agreement (including any Swap Agreement) and (iii) the payment of all sums payable to the Agents pursuant to any provision of the Agency Agreement (including the provisions which require the Issuer to reimburse (and to pay interest on the amount reimbursed as provided in the Agency Agreement) to the Principal Warrant and Certificate Agent or the Registrar for any amount paid out by the Principal Warrant and Certificate Agent or the Registrar, as the case may be, to the Warrantholders before receipt of the corresponding amount due from the Issuer).
- (e) *Application of Proceeds*
- (i) The Trustee shall (subject to the provisions of the Trust Deed) apply all moneys received by it under the provisions of the Trust Deed and any Additional Security Document in connection with the realisation or enforcement as described in Condition 13 of the Compartment Security constituted by or pursuant to the Trust Deed and any Additional Security Document in accordance with the Order of Priority specified in the applicable Final Terms (such amounts being the "**Available Enforcement Proceeds**").
 - (ii) By subscribing to or otherwise acquiring the Warrants, each Warrantholder expressly consents to the provisions of this Condition 9(e), the order of priority specified in the applicable Final Terms (the "**Order of Priority**") and the limitation of its rights in accordance with article 64 of the Securitisation Act 2004 and is deemed to have accepted and agreed to such provisions and the consequences thereof. If no Order of Priority is specified in the applicable Final Terms, the Order of Priority shall be Swap Counterparty Priority as set out below.
 - (iii) If:
 - (A) "**Swap Counterparty Priority**" is specified in the applicable Final Terms, Available Enforcement Proceeds shall be applied as follows (as amended if specified in the applicable Final Terms):

- (1) first, the proceeds of realisation of the securities held in the Compartment Account will be applied to the extent required to meet any termination payment due to the Repo Counterparty under the Repurchase Agreement (if any);
 - (2) secondly, in payment or satisfaction of the Trustee's remuneration and the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in preparing and executing the trusts in the Trust Deed in relation to the Warrants (including, but not limited to, any taxes required to be paid and the costs of realising any security and payment of any indemnity claims of the Trustee);
 - (3) thirdly, in payment or satisfaction of each of the Agents' fees, costs, charges, expenses and liabilities incurred pursuant to the Agency Agreement;
 - (4) fourthly, rateably in meeting the claims (if any) of the Swap Counterparty under each Swap Agreement relating to the Warrants. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment;
 - (5) fifthly, rateably in meeting the claims (if any) of the Warrantholders. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment; and
 - (6) sixthly, in payment of the balance (if any) to the Issuer;
- (B) **"Pari Passu Ranking"** is specified in the applicable Final Terms, Available Enforcement Proceeds shall be applied as follows (as amended if specified in the applicable Final Terms):
- (1) first, the proceeds of realisation of the securities held in the Compartment Account will be applied to the extent required to meet any termination payment due to the Repo Counterparty under the Repurchase Agreement (if any);
 - (2) secondly, in payment or satisfaction of the Trustee's remuneration and the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in preparing and executing the trusts in the Trust Deed in relation to the Warrants (including, but not limited to, any taxes required to be paid and the costs of realising any security and payment of any indemnity claims of the Trustee);
 - (3) thirdly, in payment or satisfaction of each of the Agents' fees, costs, charges, expenses and liabilities incurred pursuant to the Agency Agreement;
 - (4) fourthly, rateably in meeting the claims (if any) of the Swap Counterparty under each Swap Agreement and the Warrantholders. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment; and
 - (5) fifthly, in payment of the balance (if any) to the Issuer; and

(C) **"Warrantholder Priority"** is specified in the applicable Final Terms, Available Enforcement Proceeds shall be applied as follows (as amended if specified in the applicable Final Terms):

- (1) first, the proceeds of realisation of the securities held in the Compartment Account will be applied to the extent required to meet any termination payment due to the Repo Counterparty under the Repurchase Agreement (if any);
- (2) secondly, in payment or satisfaction of the Trustee's remuneration and the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in preparing and executing the trusts in the Trust Deed in relation to the Warrants (including, but not limited to, any taxes required to be paid and the costs of realising any security and payment of any indemnity claims of the Trustee);
- (3) thirdly, in payment or satisfaction of each of the Agents' fees, costs, charges, expenses and liabilities incurred pursuant to the Agency Agreement;
- (4) fourthly, rateably in meeting the claims (if any) of the Warrantholders. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment;
- (5) fifthly, rateably in meeting the claims (if any) of the Swap Counterparty under each Swap Agreement. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment; and
- (6) sixthly, in payment of the balance (if any) to the Issuer.

"Secured Parties" means, unless otherwise specified in the applicable Final Terms, each of the Trustee, any receiver, the Warrantholders, the Swap Counterparty and the Agents (each, a **"Secured Party"**).

(f) *Compartment Assets substitution by Swap Counterparty*

Where this Condition 9(f) is specified as being applicable in the Final Terms then the Compartment Assets may be substituted in whole or in part by the Swap Counterparty.

The Swap Counterparty may substitute the Compartment Assets for:

- (i) either securities denominated in the currency specified in the Final Terms issued by the entity specified as the eligible collateral issuer (each, an **"Eligible Compartment Assets Issuer"**) in the Final Terms (**"Eligible Compartment Assets Issuer Obligations"**); or
- (ii) such other securities, obligations or an amount of cash in the currency in which the principal amount of the existing Compartment Assets is expressed to be payable where **"Alternative Substitution"** is specified in the Final Terms.

The new securities, obligations or cash to be substituted must be in a principal amount equal (or, if in another currency, the equivalent to the principal amount of the currency in which the Compartment Assets are expressed to be payable, as determined on the date of such substitution by the Swap Counterparty in its sole discretion) to (unless otherwise specified in the applicable Final Terms) the then fair market value of the Warrants as determined by the Swap Counterparty (or, in

the case of a substitution or cancellation of part only of the Compartment Assets, of the relevant proportion thereof as at the date of such substitution).

The securities, obligations or cash which may be substituted for the Compartment Assets shall be delivered (or paid, in the case of cash) by the Swap Counterparty to the Custodian or, if so specified in the applicable Final Terms, the Counterparty.

By making any substitution pursuant to this Condition 9(f) the Swap Counterparty shall be deemed to agree with the Issuer and the Trustee that its obligations under the relevant Swap Agreement shall continue in full force and effect irrespective of such substitution and that no termination or adjustment to its obligations thereunder shall occur as a consequence of such substitution.

The Trustee shall, upon notice from the Swap Counterparty (upon which the Trustee may rely without further enquiry) that the conditions for substitution referred to in this Condition 9(f) are met, release the Compartment Assets to be substituted from the security created in respect of it under the Trust Deed. The Issuer, the Trustee and the Swap Counterparty will upon such substitution enter into such further documentation as may be required (if at all) by any applicable law and/or as may be required by the Trustee to give effect to the creation of security over any replacement securities, obligations or cash amounts in the manner set out in this Condition 9(f).

References in these Conditions and the Trust Deed to "**Compartment Assets**" shall be deemed to include any substituted Compartment Assets and references to "**Charged Assets**" shall be deemed to include any additional assets or rights charged or assigned in favour of the Trustee pursuant to such substitution.

If specified in the Final Terms, the Issuer shall give notice of any substitution to Warrantholders under this Condition 9(f) in accordance with Condition 17 (*Notices*) and, in relation to any Warrants listed on the Luxembourg Stock Exchange, to the Luxembourg Stock Exchange (or if listed on another stock exchange to such other stock exchange) and will, if required by the rules of the Luxembourg Stock Exchange (or of such other stock exchange), prepare a supplemental prospectus or such other documents as may be required.

If this Condition 9(f) is applicable, the Trustee and any Warrantholders may at any time require the Issuer to notify them of the composition of the Compartment Assets at such time.

The Swap Counterparty may substitute the Compartment Assets in accordance with this Condition 9(f) without regard to the projected market value of substitute securities or obligations. There is no guarantee that the value of such Compartment Assets in the event of termination of the relevant Swap Agreement, taking into account any termination payment due under such Swap Agreement to or from the Swap Counterparty, will equal or exceed the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be.

(g) *Compartment Assets substitution under a Credit Support Annex, Credit Support Deed or Pledge*

Where the Issuer and the Swap Counterparty have entered into a Credit Support Annex in respect of any Swap Agreement, then the Compartment Assets may be substituted in whole or in part by the Swap Counterparty in accordance with the terms of the Credit Support Annex.

The securities, obligations or cash which may be substituted for the Compartment Assets shall be delivered (or paid, in the case of cash) by the Swap Counterparty to the Custodian (or, where an alternative bank or institution is specified as custodian for the Compartment Assets in the applicable Final Terms, to such entity).

By making any substitution pursuant to this Condition 9(g), the Swap Counterparty shall be deemed to agree with the Issuer and the Trustee that its obligations under the relevant Swap Agreement shall continue in full force and effect irrespective of such substitution and that no

termination or adjustment to its obligations thereunder shall occur as a consequence of such substitution.

In the case of Compartment Assets substitution under a Credit Support Annex, the Trustee shall, upon notice from the Swap Counterparty (upon which the Trustee may rely without further enquiry) that the conditions for substitution referred to in this Condition 9(g) are met, release the Compartment Assets to be substituted from the security created in respect of it under the Trust Deed. The Issuer, the Trustee and the Swap Counterparty will upon such substitution enter into such further documentation as may be required (if at all) by any applicable law and/or as may be required by the Trustee to give effect to the creation of security over any replacement securities, obligations or cash amounts in the manner set out in this Condition 9(g).

After any substitution, references in these Conditions and the Trust Deed to "**Compartment Assets**" shall be deemed to include any Compartment Assets substituted and references to "**Charged Assets**" shall be deemed to include any additional assets or rights charged or assigned in favour of the Trustee pursuant to such substitution.

Where substitution of the Compartment Assets takes place in accordance with the terms of any credit support annex, the Issuer shall not be obliged to give notice of any substitution to Warrantholders under this Condition 9(g).

If this Condition 9(g) is applicable, the Trustee may at any time require the Issuer to notify it of the composition of the Compartment Assets at such time.

Where the Issuer and the Swap Counterparty have entered into a Credit Support Deed in respect of any Swap Agreement, the collateral secured under the relevant Credit Support Deed may be substituted in whole or in part by the Swap Counterparty in accordance with the terms of the relevant Credit Support Deed.

Where the Issuer and the Swap Counterparty have entered into a Pledge in respect of any Swap Agreement, the assets secured under the relevant Pledge may be substituted in whole or in part by the Swap Counterparty in accordance with the terms of the relevant Pledge.

The Swap Counterparty may substitute the Compartment Assets in accordance with this Condition 9(g) without regard to the projected market value of substitute securities or obligations. There is no guarantee that the value of such Compartment Assets in the event of termination of the relevant Swap Agreement, taking into account any termination payment due under such Swap Agreement to or from the Swap Counterparty, will equal or exceed the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be.

(h) *Swap Counterparty optional termination*

Where this Condition 9(h) is specified as being applicable in the Final Terms, the Swap Counterparty may (unless it is the Defaulting Party under, and as defined in, the relevant Swap Agreement) opt to terminate a Swap Agreement in whole or in part in accordance with either or both of the methods set out below (as specified in the Final Terms).

(i) *Cancellation following Swap Counterparty optional termination*

Where "**Swap Counterparty optional termination - Call option**" is specified as being applicable in the Final Terms, the following will apply:

The Swap Counterparty may opt to terminate a Swap Agreement in whole or in part on either on any date specified as being applicable in the Final Terms upon the number of Business Days notice specified as being applicable in the Final Terms.

Such optional termination will lead to early termination in whole or in part, as the case may be, of the Warrants in the manner set out in this Condition 9(h) or in such other manner as may be specified in the Final Terms.

Within two Business Days of service by the Swap Counterparty of a notice that it has opted to terminate a Swap Agreement in whole or in part on any date (where it has such right as so specified in the Final Terms) nominated by the Swap Counterparty (the "**Nominated Termination Date**"), the Issuer shall notify the relevant Warrantholders in accordance with Condition 17 (Notices) of the early termination of the Warrants in whole or in part on such Nominated Termination Date and subject to Condition 8(c) (*Early Termination Events*) shall terminate the relevant Warrants at their fair market value on such Nominated Termination Date.

If any such termination becomes due to be made by the Issuer in accordance with this Condition 9 and payment to the Warrantholders pursuant hereto is not made, the security constituted by the Trust Deed shall become enforceable and the Trustee may take such action as is provided in Condition 11 (*Events of Default*) or the Trust Deed.

(ii) *Repurchase:*

Where this Condition 9(h)(ii) is specified as being applicable in the Final Terms, the Swap Counterparty may opt to terminate a Swap Agreement upon service of written notice on the Issuer with a copy to the Trustee, in whole or in part and without payment by either party, if any of the Warrants to which that transaction relates are purchased by or on behalf of the Swap Counterparty or any of its subsidiaries or affiliates ("**Purchased Warrants**"). Where such option is exercised, such Swap Agreement will terminate *pro rata* in the proportion (the "**Proportion**") that the aggregate number of the Purchased Warrants bears to the number of the Warrants remaining unexercised immediately prior to the purchase of the Purchased Warrants by the Swap Counterparty or any of its subsidiaries or affiliates. Upon service of such notice, the Swap Counterparty will be either (A) authorised by the Issuer to take delivery of and/or deliver and/or realise on the Issuer's behalf the Proportion of the Charged Assets (if any) charged to or otherwise secured in favour of the Trustee under the Trust Deed or (B) entitled to payment of an amount equal to the Proportion of the Charged Assets where the Charged Assets is constituted by cash ("**Realised Collateral**"). The Realised Collateral will be payable or deliverable, as the case may be, by the Issuer to or to the order of the Swap Counterparty, in the contractual currency paid by the Issuer under the relevant Swap Agreement (where the Realised Collateral is not being delivered). Upon receipt of the Realised Collateral, the Swap Counterparty will deliver to the Principal Warrant and Certificate Agent the Purchased Warrants for cancellation. In such circumstances:

- (1) the Issuer will be deemed to have consented to the Trustee releasing the Realised Collateral to the Swap Counterparty upon termination of the relevant Swap Agreement in the manner described in this Condition 9(h);
- (2) where relevant, the Swap Counterparty, on behalf of the Issuer, will be deemed to be authorised by the Issuer to realise the Proportion of the Charged Assets; and
- (3) the Trustee will, unless an Event of Default or a Potential Event of Default (as defined in the Trust Deed) has occurred, be deemed to release the Realised Collateral from the security created in respect of it under the Supplemental Trust Deed.

(i) *Residual Shortfall*

In the case of Warrants (but without prejudice to the rights of a holder of Guaranteed Warrants under the Guarantee (if applicable)), if the net proceeds of the realisation or enforcement of the Charged Assets created pursuant to the Trust Deed and/or any Additional Security Document in respect of the Charged Assets following payment of all prior ranking amounts (the "**Net Proceeds**") are not sufficient to make all payments due in respect of such Warrants, then:

- (i) the obligations of the Issuer in respect of such Warrants will be limited to such Net Proceeds and neither the Trustee nor any Secured Party nor anyone acting on behalf of any Secured Party shall have any claim in respect of any asset of the Issuer not forming part of the Charged Assets; and
- (ii) the Issuer will not be obliged to make any further payment in excess of the Net Proceeds and any Warrantholder's right to receive any further sums in respect of any Residual Shortfall shall be extinguished in full, and neither the Trustee nor any Secured Party nor anyone acting on behalf of any Secured Party shall be entitled to take any further steps against the Issuer or the Trustee to recover any such Residual Shortfall.

No Secured Party nor any party to the Trust Deed shall be entitled to petition or take any other step for the winding-up of the Issuer (including, without limitation, the opening of any bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (*insolvabilité liquidation volontaire ou judiciaire*), composition with creditors (*concordat préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), fraudulent conveyance (*actio pauliana*), general settlement with creditors or reorganisation proceedings or similar proceedings affecting the rights of creditors generally) or the appointment of an examiner in respect of the Issuer (including, without limitation, the appointment of any receiver (*curateur*) (except any receiver appointed by the Trustee pursuant to the Trust Deed), liquidator (*liquidateur*), auditor (*commissaire*), verifier (*expert-vérificateur*), *juge délégué* or *juge commissaire*). Failure by the Issuer to make any payment in respect of any Residual Shortfall shall in no circumstances constitute an Event of Default under Condition 11.

In this Condition, "**Residual Shortfall**" means the difference, if any, between the Net Proceeds and the aggregate amount which would have been due under the Warrants but for the operation of this Condition 9(i).

(j) *Issuer's rights as holder of Compartment Assets*

Unless otherwise specified in the applicable Final Terms, the Issuer may exercise any rights in its capacity as holder of the Compartment Assets (including, without limitation, a right to vote or any analogous right howsoever described) only with the consent of the Trustee (or as directed in writing by the respective holders of at least 25 per cent. (by number) of the Warrants then unexercised or as directed by an Extraordinary Resolution of the Warrantholders) and (except in relation to the Swap Agreement) the Swap Counterparty and, if such direction is given, the Issuer will act in accordance with such directions, unless such instructions are in the reasonable opinion of the Issuer contrary to applicable laws, regulations and/or circular letters issued by the Issuer's supervisory authority or materially detrimental to the interests of the Issuer. In particular, the Issuer will not, unless otherwise stated in the applicable Final Terms, attend or vote at any meeting of holders of the Compartment Assets, or give any consent or notification or make any declaration in relation to the Compartment Assets, save with the consent of the Trustee (or as directed in writing by the respective holders of at least 25 per cent. (by number) of Warrants then unexercised or as directed by an Extraordinary Resolution of each of the Warrantholders) and the Swap Counterparty. In the event of a conflict between the instructions of the Trustee (or the Warrantholders) and the Swap Counterparty, the instructions of the Instructing Party will prevail.

(k) *Swap termination*

Notwithstanding the terms of Condition 9 (j) (*Issuer's rights as holder of Compartment Assets*), where "**Swap Termination Without Cancellation**" is specified as applicable in the applicable Final Terms and where an Event of Default (as defined in the Swap Agreement) occurs under the Swap Agreement in circumstances where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) and Related Agreement Termination Event is stated as not applicable in the applicable Final Terms, following notification of such Event of Default by the Issuer to the Trustee (a "**Swap Default**"), the Trustee shall promptly, and in any event not later than five Business Days after such notification, instruct the Issuer to deliver, in respect of the Swap Agreement (where such agreement is constituted by a 2002 Master Agreement published by the International Swaps and Derivatives Association, Inc. (the "**Master Agreement**") and schedule thereto and any confirmations thereunder), a notice under Section 6(a) of the Master Agreement designating an Early Termination Date (as defined in the Swap Agreement). In such circumstances, the Issuer (with the consent of the Trustee) may appoint an agent (a "**Termination Agent**") to assist it in terminating the Swap Agreement and making any calculations necessary in connection with such termination. A *pro rata* share of the amount, if any, equal to the Early Termination Amount (as defined in the Swap Agreement) received by the Issuer under the Swap Agreement less the costs and expenses of the Trustee and any costs and expenses of the Termination Agent incurred in connection with such termination shall be paid by the Issuer to each Warrantholder in the manner set out in the applicable Final Terms.

In these Conditions "**Instructing Party**" means, if "Swap Counterparty Priority" applies, the Swap Counterparty (except in relation to the Swap Agreement, or where it is the Defaulting Party under, and as defined in, the relevant Swap Agreement, in which case the Instructing Party will be the Warrantholders) and if either "Warrantholder Priority" or "Pari-Passu Ranking" applies, the Warrantholders.

10. **Expenses and Taxation**

All payments in respect of the Warrants or under the Guarantee shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax authority, unless such withholding or deduction is required by law, including, without limitation, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto, in which case the Issuer or, as the case may be, the Guarantor shall make all payments net of such withholding or deduction. Such withholding or deduction shall not constitute an Event of Default under Condition 11.

All taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the exercise and settlement of such Warrants and/or the delivery or transfer of the Entitlement (as applicable) pursuant to the terms of such Warrants ("**Exercise Expenses**") relating to such Warrants shall be for the account of the Warrantholder. The Issuer shall deduct from amounts payable or from assets deliverable to Warrantholders all Related Expenses, not previously deducted from amounts paid or assets delivered to Warrantholders, as the Calculation Agent shall in its sole and absolute discretion determine are attributable to the Warrants. Such deduction by the Issuer shall not constitute an Event of Default under Condition 11.

For the avoidance of doubt, neither the Issuer, the Trustee nor the Guarantor (if applicable) shall be liable for any Related Expenses and Warrantholders shall be liable to pay the Related Expenses attributable to their Warrants.

"Expenses" means Exercise Expenses and any Related Expenses.

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

- (i) the issue, transfer or enforcement of the Warrants;
- (ii) any payment (or delivery of assets) to Warrantholders;
- (iii) a person or its agent's assets or any rights, distributions of dividends appertaining to such assets (has such an investor (or agent) purchased, owned, held, realised, sold or otherwise disposed of assets) in such a number as the Calculation Agent, in its sole and absolute discretion, may determine to be appropriate as a hedge or related trading position in connection with the Warrants; or
- (iv) any of the Swap Counterparty's or any Affiliate's other hedging arrangements in connection with the Warrants.

"Relevant Date" in respect of any Warrant means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or, in the case of materialised Warrants (if earlier) the date seven days after that on which notice is duly given to the Warrantholders that, upon further presentation of the Warrant, being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

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

11. **Events of Default**

- (a) The Trustee at its discretion may (subject as provided in sub-paragraph (b) below), and if so requested in writing by the holders of at least 25 per cent. (by number) of the Warrants of any Series then remaining unexercised, or if so directed by an Extraordinary Resolution of such holders, shall, subject in each case to being indemnified and/or secured to its satisfaction, give notice to the Issuer and the Guarantor (if applicable) that the Warrantholders are, and they shall accordingly forthwith become, (unless otherwise specified in the Final Terms) entitled to the Liquidation Proceeds (such occurrence, a **"Warrant Acceleration"**) upon the occurrence of any of the following events (each an **"Event of Default"**):
 - (i) a default is made for a period of 30 days or more in the payment of any sum due or the delivery of the Entitlement deliverable in respect of the Warrants; or
 - (ii) the Issuer fails to perform or observe any of its other obligations under the Warrants or the Trust Deed and (unless such failure is, in the opinion of the Trustee, incapable of remedy in which case no such notice as is referred to in this paragraph shall be required) such failure continues for a period of 45 days (or such longer period as the Trustee may permit) following the service by the Trustee on the Issuer of notice requiring the same to be remedied (and for these purposes, a failure to perform or observe an obligation shall be

deemed to be remediable notwithstanding that the failure results from not doing an act or thing by a particular time); or

- (iii) any order is made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer (including, without limitation, the opening of any bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (*insolvabilité, liquidation volontaire ou judiciaire*), composition with creditors (*concordat préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), fraudulent conveyance (*actio pauliana*), general settlement with creditors or reorganisation proceedings or similar proceedings affecting the rights of creditors generally) or the appointment of a receiver of the Issuer (including, without limitation, the appointment of any receiver (*curateur*), liquidator (*liquidateur*), auditor (*commissaire*), verifier (*expert-vérificateur*), (*juge délégué* or *juge commissaire*) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Warrantholders; or
 - (iv) in the case of Guaranteed Warrants, the Guarantee ceases to be in full force and effect in respect of the Warrants or notice is given by the Guarantor (if applicable) which would cause the Guarantee to cease to be in full force and effect in respect of such Warrants or is rendered void for any cause or by any means whatsoever or any legislation is introduced the result of which would be to remove the benefit of the Guarantee from the Warrants or terminate or amend the same in a manner (in the opinion of the Trustee) materially adverse to the interests of the Warrantholders, or the Guarantor (if applicable) is unable to perform its obligations thereunder for any reason.
- (b) The Trust Deed provides that the Trustee shall not be under any obligation to monitor whether or not an Event of Default or a Potential Event of Default (as defined in the Trust Deed) has occurred or is continuing.

12. Definitions

In these Conditions:

"Actual Exercise Date" means the Exercise Date on which the Warrant is actually or is deemed exercised or, if Automatic Exercise is specified in the applicable Final Terms, is automatically exercised (as more fully set out in Condition 4).

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

"Business Day" means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and
- (b) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (any such centre, an **"Additional Business Centre"** and which, if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (ii) in relation to any sum payable in euro, a day (a **"TARGET Settlement Day"**) on which the Trans-European Automated Real-Time Gross Settlement Express Transfer

("TARGET2") payment system which utilises a single platform and which was launched on 19 November 2007 (or, if such system ceases to be operative, such system (if any) determined by the Calculation Agent to be a suitable replacement) (the "**TARGET System**") is open.

"Entitlement" means, in relation to a Physical Delivery Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Warrantholder is entitled to receive on the Settlement Date in respect of each such Warrant or Unit, as the case may be, following payment of the Exercise Price (and any other sums payable) rounded down as provided in Condition 4(d)(i), as determined by the Calculation Agent including any documents evidencing such Entitlement.

"Expenses" means all costs, taxes, duties and/or expenses including stamp duty, stamp duty reserve tax and/or other costs, duties or taxes arising from the delivery of the Entitlement.

"Exercise Price" means the exercise price(s) specified in the applicable Final Terms.

"Expiration Date" means, in the case of American Style Warrants, the last day of the Exercise Period or, in the case of European Style Warrants, the Exercise Date.

"fair market value" means the fair market value as determined by the Calculation Agent (unless otherwise specified).

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

"Relevant Asset" means the Relevant Asset specified in the applicable Final Terms.

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

"Settlement Date" means, unless specified otherwise in the applicable Final Terms:

- (a) in relation to Cash Settled Warrants:
 - (i) (other than in respect of Inflation Index Linked Warrants) in relation to each Actual Exercise Date, (A) where Averaging is not specified in the applicable Final Terms, the fifth Business Day following the Valuation Date, provided that if the Warrants are Index Linked Warrants relating to a Basket of Indices, Share Linked Warrants relating to a Basket of Shares, GDRs and/or ADRs, Debt Linked Warrants relating to a Basket of Debt Securities, Commodity Linked Warrants relating to a Basket of Commodities or Commodity Indices, Fund Linked Warrants relating to a Basket of fund shares, Market Access Warrants, ETI Linked Warrants relating to a Basket of ETIs and the occurrence of a Disrupted Day has resulted in a Valuation Date for one or more Indices, Shares, GDRs and/or ADRs, Debt Securities, Commodities or Commodity Indices, Fund Shares or ETIs, as the case may be, being adjusted as set out in the definition of "Valuation Date" below, the Settlement Date shall be the fifth Business Day next following the last occurring Valuation Date in relation to any Index, Share, GDR or ADR, Debt Security, Commodity or Commodity Index, Fund Share or ETI, as the case may be, or (B) where Averaging is specified in the applicable Final Terms, the fifth Business Day following the last occurring Averaging Date, provided that where the Warrants are Index Linked Warrants relating to a Basket of Indices, Share Linked Warrants relating to a Basket of Shares, GDRs and/or ADRs, Debt Linked Warrants relating to a basket of Debt Securities, Commodity Linked Warrants relating to a basket of Commodities or Commodity Indices,

Fund Linked Warrants relating to a Basket of Fund Shares, ETI Linked Warrants relating to a basket of ETIs and the occurrence of a Disrupted Day has resulted in an Averaging Date for one or more Indices, Shares, GDRs and/or ADRs, Debt Securities, Commodities or Commodity Indices, Fund Shares or ETIs as the case may be, being adjusted as set out in the definition of "Averaging Date" above, the Settlement Date shall be the fifth Business Day next following the last occurring Averaging Date in relation to any Index, Share, GDR and/or ADR, Debt Security, Commodity or Commodity Index, Fund Share or ETI or Reference Entity, as the case may be; or

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

"TRS Holding" means, at any time, the number of Warrants, as applicable, held by the TRS Counterparty or any Affiliate at such time, which are designated by the TRS Counterparty on the Issue Date as forming part of the TRS Holding ("**Designated Warrants**") and any other Warrants which the TRS Counterparty or any Affiliate subsequently purchases and notifies the Issuer and the Repo Counterparty (if any) that such Warrants shall form part of the TRS Holding ("**Notified TRS Warrants**") less any number of Warrants which were Notified TRS Warrants or Designated Warrants but which the TRS Counterparty or any Affiliate thereof sells to investors and notifies the Issuer and the Repo Counterparty (if any) that such Warrants shall no longer form part of the TRS Holding. Upon delivery by the TRS Counterparty to the Issuer under the Total Return Swap Agreement of the Warrants forming the TRS Holding following termination of such Total Return Swap Agreement, the TRS Holding will be zero.

13. **Enforcement and Realisation**

Unless otherwise specified in the applicable Final Terms, upon the occurrence of a Warrant Acceleration under Condition 11, the Compartment Security constituted by or created pursuant to the Supplemental Trust Deed and any Additional Security Document relating to a Series of Warrants and the Compartment to which such Series relates, shall become enforceable. The Trustee may enforce the Compartment Security at any time after it has become enforceable but is only obliged to enforce the Compartment Security if directed to do so by (a) (where the Instructing Party is the Warrantholder) either a direction in writing by Warrantholders of at least 25 per cent. (by number) of the relevant Series of Warrants or by an Extraordinary Resolution of the Warrantholders; or (b) (where the Instructing Party is the Swap Counterparty) a written direction of the Swap Counterparty. The Trustee or any appointee or receiver appointed thereby may enforce the security by one or more of the following:

- (i) endeavouring to sell or otherwise realise the Charged Assets (including, without limitation, by terminating, closing out or enforcing any Related Agreement or other agreement entered into by the Issuer, the rights of the Issuer in respect of which form part of the Charged Assets) in accordance with the provisions of the Trust Deed; and/or
- (ii) otherwise enforcing the Compartment Security constituted by or pursuant to the Trust Deed and/or any Additional Security Document, in each case, without any liability as to the consequences of any such action and without having regard to the effect of any such action on individual Warrantholders,

provided that the Trustee shall not be required to take any such action without first being indemnified and/or secured to its satisfaction or to do anything which is or may be contrary to any applicable law or regulation.

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Secured Parties.

14. Meetings of the Warrantholders; Modifications; Waiver; Trustee Determination; Substitution; Entitlement of the Trustee

(a) Meetings of the Warrantholders

The Trust Deed contains provisions for convening meetings of Warrantholders of each Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Warrants (including these Conditions or the provisions of the Trust Deed insofar as the same may apply to such Warrants). The quorum at a meeting of the Warrantholders (except for the purpose of passing an Extraordinary Resolution) will be two or more persons holding or representing not less than 20 per cent. (by number) of the Warrants for the time being remaining unexercised, or at any adjourned meeting two or more persons being or representing Warrantholders whatever the number of Warrants so held or represented. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 50 per cent. (by number) of the Warrants for the time being remaining unexercised or, at any adjourned such meeting, two or more person holding or representing not less than 10 per cent. (by number) of the Warrants for the time being remaining unexercised. A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three fourths of the votes cast by the Warrantholders at such meeting who, being entitled to do so, vote in person or by proxy. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Warrantholders, whether present or not, except that any Extraordinary Resolution proposed to address a Reserved Matter will only be binding if passed at a meeting of the Warrantholders, the quorum at which shall be persons holding or representing not less than 75 per cent. (by number) of the Warrants for the time being remaining unexercised or, at any adjourned meeting, not less than 25 per cent. (by number) of the Warrants for the time being remaining unexercised.

The holder of a Global Warrant representing all (or part) of the Warrants for the time being outstanding will be treated as being two persons for the purposes of such quorum requirements. A resolution in writing signed by or on behalf of the holders of not less than 90 per cent. (including in the case of a resolution proposed to address a Reserved Matter (as defined in the Trust Deed)) (by number) of the Warrants of such Series for the time being remaining unexercised shall for all purposes be as valid and effectual as an Extraordinary Resolution passed at a meeting of the Warrantholders.

The provisions of articles 86 to 97 of the Luxembourg Act dated 10th August, 1915 on commercial companies, as amended, shall not apply to the Warrants.

(b) Modification

The Trustee may, in respect of each Series, without the consent of the Warrantholders, agree to (i) any modification to any Transaction Document or any other agreement to which the Issuer is a party which is of a formal, minor or technical nature or is made to correct a manifest error; (ii) any modification of any of the provisions of the Trust Deed or any other Transaction Document (other than in respect of a Warrant Reserved Matter) which in the opinion of the Trustee is not materially prejudicial to the interests of the Warrantholders; and (iii) any modification of the provisions of the Trust Deed or any other Transaction Document (other than in respect of a Warrant Reserved Matter) which is made to satisfy any requirement of any stock exchange on which the Warrants are or are proposed to be listed and which, in each case, is not in the opinion of the Trustee materially prejudicial to the interests of the Warrantholders.

Notice of such modification shall be notified by the Issuer to the Warrantholders as soon as practicable thereafter in accordance with Condition 17 unless the Trustee agrees otherwise.

(c) *Waiver*

The Trustee may, in respect of any Series, without the consent of the Warrantholders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time, but only if and in so far as in its opinion the interests of the Warrantholders shall not be materially prejudiced thereby, waive or authorise, on such terms and conditions as to it shall seem expedient, any breach or proposed breach by the Issuer or (if applicable) the Guarantor of any of the covenants or provisions in the Trust Deed or the Conditions or determine that any Event of Default or Potential Event of Default shall not be treated as such provided always that the Trustee shall not exercise any powers conferred on it by this Condition 14(c) in respect of any Warrant Reserved Matter or in contravention of any express direction given by an Extraordinary Resolution of the Warrantholders, but no such direction shall affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination shall be binding on the Warrantholders of such Series.

Notice of any such waiver, authorisation or determination shall be notified by the Issuer to the Warrantholders as soon as practicable thereafter in accordance with Condition 17 unless the Trustee agrees otherwise.

(d) *Trustee Determination*

If, in the opinion of the Trustee, any modification, waiver, authorisation or determination referred to in paragraphs (b)(ii) or (iii) and (c) of this Condition 14 affects the interests of the holders of any Series of Warrants, the Trustee shall agree to such modification, waiver, authorisation or determination only if either (i) it is satisfied that, in its opinion, the interests of the holders of the relevant Series of Warrants will not be materially prejudiced thereby or (ii) the holders of the relevant Series of Warrants sanction such modification, waiver, authorisation or determination by way of Extraordinary Resolution, each of (i) and (ii) in accordance with the Conditions of the relevant Series of Warrants.

(e) *Substitution*

The Trust Deed contains provisions permitting the Trustee, subject to the further conditions set out in the Trust Deed and such amendment of the Trust Deed and other conditions as the Trustee may require, but without the consent of the holders of the relevant Series of Warrants, to agree with the Issuer and the Guarantor (if applicable) to the substitution, in respect of any Series of Warrants, in place of the Issuer (or of the previous substitute), as the principal debtor under the Warrants of such Series, or, when applicable, the Guarantor, as guarantor of the payment obligations of the Issuer under the relevant Series of Warrants, of any other company (such substituted company being hereinafter called the "**Substitute Company**").

Not later than 14 days after the execution of such amendment and compliance with such conditions as aforesaid, the Substitute Company shall give notice thereof in a form previously approved by the Trustee to the relevant Warrantholders in the manner provided in accordance with Condition 17.

(f) *Entitlement of the Trustee*

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Warrantholders as a class and shall not have regard to the consequences of such exercise for any particular Warrantholder and the Trustee shall not be entitled to require, nor shall any Warrantholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual holders of such Warrants.

15. **Further Warrants**

The Issuer may from time to time without the consent of the Warrantholders (but provided that the Trustee is satisfied that the restrictions set out in this Condition 15 will be complied with), create and issue further Warrants ("**Further Warrants**") having the same terms and conditions as the Warrants in all respects (or in all respects except for the Issue Date and issue price) and so that the same shall be consolidated and form a single series with such Warrants provided that (unless otherwise approved by an Extraordinary Resolution of the Warrantholders):

- (a) The Issuer provides additional security for such Further Warrants that comprises assets that are fungible with, and have the same proportionate composition as, the Charged Assets in respect of the relevant existing Warrants and that has an aggregate principal amount at least equal to the product of (i) the principal amount of such existing security and (ii) a fraction, the numerator of which is the number of the Further Warrants and the denominator is the aggregate number of the existing Warrants; and
- (b) The Issuer enters into an additional and/or supplemental agreement varying the terms of the relevant Swap Agreement, Repurchase Agreement or Deposit Agreement, as applicable, to take account of the Further Warrants on terms no less favourable than those of the Swap Agreement, Repurchase Agreement or Deposit Agreement, as applicable.

Any Further Warrants shall be constituted and secured by a further supplemental trust deed and the Warrants and the Further Warrants shall be secured by the same Charged Assets. References in these Conditions to "**Warrants**" and "**Charged Assets**" shall be construed accordingly.

16. **Removal, Indemnification and Obligations of the Trustee**

The Trust Deed contains provisions for the appointment, retirement and removal of the Trustee. The Issuer shall as soon as practicable after the appointment of a new trustee notify the Warrantholders of such appointment in accordance with Condition 17.

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including for the exercise of any voting rights in respect of the Compartment Assets or for the value, validity, sufficiency and enforceability (which the Trustee has not investigated) of the Compartment Security created over the Charged Assets. The Trustee is not obliged to take any action under the Trust Deed, the Warrants or otherwise unless indemnified and/or secured to its satisfaction. The Trustee and any affiliate is entitled to enter into business transactions with the Issuer, the Guarantor, any issuer or guarantor (where applicable) of any of the Charged Assets any party other than the Issuer under a Related Agreement (including, without limitation, the Swap Counterparty), or any of their subsidiary, holding or associated companies without accounting to the Warrantholders for profit resulting therefrom.

The Trustee is exempted from liability with respect to any loss or theft or reduction in value (as appropriate) of the Charged Assets from any obligation to insure or to procure the insuring of the Charged Assets (or any documents evidencing, constituting or representing the same or transferring any rights or obligations thereunder) and from any claim arising from the fact that the Charged Assets are held in an account with a clearing agent in accordance with that relevant clearing agent's rules or otherwise held in safe custody by the Custodian or any custodian whether or not selected by the Trustee (in each case, if applicable). The Trustee is not responsible for supervising the performance by (i) the Issuer of its own obligations and (ii) any other person of their obligations to the Issuer.

For the purposes of this Condition 16, each of the Issuer and, as the case may be, the Guarantor expressly accepts and confirms, for the purposes of articles 1278 and 1281 of the Luxembourg civil code, that notwithstanding any assignment, transfer and/or novation permitted under and made in accordance with the provisions of the Trust Deed or any agreement referred to therein to which

the Issuer and, as the case may be, the Guarantor are party, any security created or guarantee given under the Trust Deed shall be reserved for the benefit of the new trustee (for itself and for the benefit of each other Secured Party).

17. Notices

All notices regarding the Warrants shall be valid if: (a) in the case of Warrants represented by a Global Warrant, delivered to Euroclear and/or Clearstream, Luxembourg for communication by them to the Warrantholders; (b) so long as any Warrants are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of such stock exchange or relevant authority so require, in accordance with such rules; or (c) in the case of Registered Warrants if sent by first class mail to the Warrantholders (or the first named of joint Warrantholders) at their respective addresses recorded in the Register. If and for so long as the Warrants are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange, and so long as the Luxembourg Stock Exchange so require, notices shall be made available on the Luxembourg Stock Exchange's website, www.bourse.lu. Any such notice shall be deemed to have been given on the Business Day on which such delivery takes place or, if earlier, the date of such publication, or, if published more than once, on the date of the first such publication.

If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Whilst any of the Warrants are represented by a Global Warrant, such notice may be given by any Warrantholder to the Principal Warrant and Certificate Agent or the Registrar (as applicable) via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Warrant and Certificate Agent or the Registrar (as applicable) and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

18. Adjustments for European Monetary Union

The Issuer may, without the consent of the Warrantholders or the Trustee, on giving notice to the Warrantholders in accordance with Condition 17 (*Notices*):

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

The election will have effect as follows:

- (i) where the Settlement Currency of the Warrants is the National Currency Unit of a country which is participating in the third stage of European Economic and Monetary Union, such Settlement Currency shall be deemed to be an amount of euro converted from the original Settlement Currency into euro at the Established Rate, subject to such provisions (if any) as to rounding as the Calculation Agent may decide, and as may be specified in the notice, and after the Adjustment Date, all payments of the Cash Settlement Amount in respect of the Warrants will be made solely in euro as though references in the Warrants to the Settlement Currency were to euro;
- (ii) where the Exchange Rate and/or any other terms of these Conditions are expressed in or, in the case of the Exchange Rate, contemplate the exchange from or into, the currency (the "**Original Currency**") of a country which is participating in the third stage of European Economic and Monetary Union, such Exchange Rate and/or any other terms of these Conditions shall be deemed to be expressed in or, in the case of the Exchange Rate, converted from or, as the case may be into, euro at the Established Rate; and
- (iii) such other changes shall be made to these Conditions as the Calculation Agent may decide to conform them to conventions then applicable to instruments expressed in euro; and/or

- (b) require that the Calculation Agent make such adjustments to the Weighting and/or the Settlement Price and/or the Exercise Price and/or any other terms of these Conditions and/or the applicable Final Terms as the Calculation Agent, in its sole discretion, may determine to be appropriate to account for the effect of the third stage of European Economic and Monetary Union on the Weighting and/or the Settlement Price and/or the Exercise Price and/or such other terms of these Conditions.

Notwithstanding the foregoing, none of the Issuer, the Guarantor (if any), the Calculation Agent, the Principal Warrant and Certificate Agent and the Trustee shall be liable to any Warrantholder or other person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of euro or any currency conversion or rounding effected in connection therewith.

In these Conditions, the following expressions have the following meanings:

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

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

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

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

"Settlement Currency" shall be the currency specified as such in the applicable Final Terms.

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

19. **Contracts (Rights of Third Parties) Act 1999**

The Warrants shall not confer on a third party any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Warrants, but this does not affect any right or remedy of a third party which may exist or is available apart from that Act.

20. **Governing Law and Submission to Jurisdiction**

The Agency Agreement, the Trust Deed (save to the extent that the Trust Deed relates to security interests created over assets located or deemed to be located in Luxembourg) and the Warrants (and any non-contractual obligations arising out of or in connection with such documents) are (or, as the case may be, shall be) governed by, and shall be construed in accordance with, English law.

The Issuer irrevocably agrees, for the exclusive benefit of the Warrantholders that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Warrants (including a dispute relating to non-contractual obligations arising out of such Warrants) and accordingly any suit, action or proceedings arising out of or in connection with the Warrants may be brought in such courts.

The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Warrantholder may take any suit, action or proceedings (together referred to as **"Proceedings"**) arising out of or in connection with the Warrants (including

Proceedings relating to any non-contractual obligations arising out of or in connection with such Warrants) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

The Issuer appoints BNP Paribas, London Branch, of 10 Harewood Avenue, London NW1 6AA (Attention: the Loan Administration Department), as its agent for service of process, and undertakes that, in the event of BNP Paribas, London Branch ceasing so to act or ceasing to be registered in England, it will appoint, subject to the prior written approval of the Trustee, another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

The Issuer has in the Trust Deed submitted to the jurisdiction of the English courts and has appointed an agent for service of process in terms substantially similar to those set out above.

TERMS AND CONDITIONS OF THE CERTIFICATES

The following are the Terms and Conditions of the Certificates, which will include the additional terms and conditions contained in Annex 1 in the case of Index Linked Certificates, Annex 2 in the case of Share Linked Certificates, Annex 3 in the case of Debt Linked Certificates, Annex 4 in the case of Commodity Linked Certificates, Annex 5 in the case of Inflation Index Linked Certificates, Annex 6 in the case of Currency Linked Certificates, Annex 7 in the case of Fund Linked Certificates, Annex 8 in the case of Market Access Certificates, Annex 9 in the case of Credit Linked Certificates and Annex 10 in the case of ETI Linked Certificates or any other Annex (each an "Annex" and together the "Annexes" which may be added from time to time) which will be incorporated by reference into each Global Certificate. The applicable Final Terms in relation to any Series (and/or Tranche, as the case may be) of Certificates may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Certificates. The applicable Final Terms (or the relevant provisions thereof) will be endorsed on, attached to or incorporated by reference in, each Global Certificate. Reference should be made to the section headed "Form of the Certificates" above for a description of the content of Final Terms which will specify which of such terms is to apply in relation to the relevant Certificates.

This Certificate is one of a Series (as defined below) of Certificates issued by SecurAsset S.A. (the "**Issuer**"), a regulated securitisation undertaking within the meaning of the Luxembourg Act dated 22 March 2004 on securitisation, as amended (the "**Securitisation Act 2004**", which term shall include such act as modified, amended or re-enacted from time to time), constituted and secured by a supplemental trust deed (the "**Supplemental Trust Deed**") dated the date of issue of the Certificates (the "**Issue Date**") between, *inter alia*, the Issuer, BNP Paribas Trust Corporation UK Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed (as defined below)) as trustee for the Certificateholders (as defined in Condition 1) and, if applicable, the persons specified therein as the guarantor (the "**Guarantor**") and, if applicable, the persons specified therein as a Swap Counterparty and/or Deposit Counterparty and/or Repo Counterparty (each as defined in Condition 9 (*Compartment Assets*)). The Supplemental Trust Deed is supplemental to a trust deed (the "**Trust Deed**", which expression includes the same as it may be modified and/or supplemented and/or restated from time to time) dated 6 February 2009, as most recently amended and restated on 29 June 2012 and made between the Issuer and BNP Paribas Trust Corporation UK Limited as trustee (the "**Trustee**", which expression shall include any successor appointed pursuant to the Trust Deed. References herein to the "Issuer" shall include the Substitute Company as defined in Condition 15(e) (*Substitution*), in the case of any substitution of the Issuer in accordance with that Condition.

References herein to the Certificates shall be references to the Certificates of this Series and shall mean:

- (a) Certificates held by a Common Depositary on behalf of Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") and/or Euroclear Bank S.A./N.V. ("**Euroclear**"), and/or any other relevant clearing system ("**Clearing System Certificates**") constituted by a clearing system global Certificate (a "**Clearing System Global Certificate**"); and
- (b) any global Certificate in registered form ("**Registered Global Certificate(s)**") and, together with a Clearing System Global Certificate, each a "**Global Certificate**").

Each Series (and/or Tranche, as the case may be) of Certificates will be either Clearing System Certificates or Registered Certificates issued outside the United States in transactions not subject to the registration requirements of the Securities Act in reliance on the exemption from registration provided by Regulation S.

Clearing System Certificates will on issue be represented by a Clearing System Global Certificate as specified in the applicable Final Terms. Registered Certificates will on issue be represented by a Registered Global Certificate which will be exchangeable for definitive Registered Certificates in certain circumstances set out in such Registered Global Certificate. Interests in a Clearing System Global Certificate may not be exchanged for interests in a Registered Global Certificate and vice versa.

The Certificates have the benefit of an agency agreement dated 6 February 2009, as most recently amended and restated on 29 June 2012 (the "**Agency Agreement**", which expression includes the same as it may be modified and/or supplemented and/or restated from time to time) and made between, *inter alia*, the Issuer, the Trustee, BNP Paribas Arbitrage S.N.C. as calculation agent (the "**Calculation Agent**"), which expression shall include any additional or successor calculation agents specified in the applicable Final Terms), BNP Paribas Securities Services, Luxembourg Branch as account bank (where specified in the applicable Final Terms) (the "**Account Bank**"), BNP Paribas Securities Services, Luxembourg Branch as principal warrant and certificate agent, registrar and, where specified in the applicable Final Terms, the custodian and cash manager (the "**Principal Warrant and Certificate Agent**"), the "**Registrar**", the "**Custodian**" and the "**Cash Manager**" respectively, which expressions shall include, in each case, any additional, alternative or successor agents specified in the applicable Final Terms) and the other warrant and certificate agents named therein (together with the Principal Warrant and Certificate Agent and the Registrar, the "**Warrant and Certificate Agents**", which expression shall include any additional or successor warrant and certificate agents). The Warrant and Certificate Agents, the Calculation Agent, the Cash Manager and the Custodian shall be referred to collectively herein as the "**Agents**". The Certificates, the Trust Deed (together with any Supplemental Trust Deed), the Agency Agreement (together with any supplements thereto), the Dealer Agreement and any other Related Agreements are together referred to as the "**Transaction Documents**".

The Trustee acts for the benefit of the holders for the time being of the Certificates which expression shall mean, in the case of Clearing System Global Certificates, the Certificateholders and, in the case of Registered Global Certificates, the persons in whose name the Certificates are registered, and shall, in relation to any Certificates represented by a Global Certificate, be construed as provided in Condition 1 below. The Trustee also holds the Compartment Security granted by the Issuer for itself and the other Secured Parties (as defined below).

Any reference herein to "**Euroclear**" and/or "**Clearstream, Luxembourg**" (each term as defined above) shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms, approved by the Issuer, the Guarantor (if applicable), the Trustee, the Principal Warrant and Certificate Agent, the Registrar (in the case of Certificates in registered form ("**Registered Certificates**") only) and, in the case of Certificates listed on the Luxembourg Stock Exchange, the Luxembourg Stock Exchange.

The Final Terms for this Certificate (or other relevant provisions thereof) are set out in the Final Terms that are endorsed on, attached to or incorporated by reference in this Certificate and which supplement these terms and conditions (the "**Terms and Conditions**" or the "**Conditions**"). The applicable Final Terms (or other relevant provisions thereof) supplement these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Certificate.

As used herein, "**Tranche**" means Certificates which are identical in all respects and "**Series**" means a Tranche of Certificates together with any further Tranche or Tranches of Certificates which are (x) expressed to be consolidated and form a single series and (y) identical in all respects except for their respective Issue Dates, Interest Commencement Dates, and/or Issue Prices.

Copies of the Trust Deed and the Agency Agreement are available for inspection by Certificateholders during normal business hours from the specified offices of the Warrant and Certificate Agents. Copies of the applicable Final Terms are available for viewing by Certificateholders at www.bourse.lu and copies may be obtained from the specified office of the Principal Warrant and Warrant and Certificate Agent save that, if this Certificate is a Private Placement Certificate (as defined below) which has not been offered to

the public in Luxembourg, the applicable Final Terms will only be obtainable by a Certificateholder holding one or more such Certificates and such Certificateholder must produce evidence satisfactory to the Issuer, the Trustee and the relevant Warrant and Certificate Agent as to its holding of such Certificates and identity. The Certificateholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed (as such term is defined in the Trust Deed). In this paragraph, "**Private Placement Certificate**" means any Certificate that is not (i) offered to the public in the EEA for the purposes of article 3.1 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (the "**Prospectus Directive**") (except as specified under article 3.2 of the Prospectus Directive) or (ii) admitted to trading in the EEA for the purposes of article 3.3 of the Prospectus Directive.

By subscribing to, or otherwise acquiring, the Certificates, each Certificateholder expressly acknowledges and agrees that:

- (i) the Issuer (a) is subject to the Securitisation Act 2004 and (b) in connection with the Certificates has created a specific Compartment, which Compartment shall be identified by the number and/or name ascribed to it in the applicable Final Terms, to which all assets, rights, claims and agreements relating to the Certificates will be allocated, subject as provided in the applicable Final Terms;
- (ii) the provisions with respect to the Order of Priority specified in the applicable Final Terms will apply;
- (iii) all payments to be made by the Issuer in respect of the Certificates and the related Swap Agreement (if any) will be made only from and to the extent of the sums received or recovered from time to time by or on behalf of the Issuer or the Trustee in respect of the Charged Assets and, following a Certificate Acceleration in respect of the Certificate, the entitlement of the Certificateholder will be limited to such Certificateholder's *pro rata* share of the proceeds of the relevant Charged Assets applied in accordance with the Order of Priority specified in the applicable Final Terms and not to the assets allocated to other compartments created by the Issuer or to any other assets of the Issuer and, in the case of Guaranteed Certificates, sums obtained on its behalf by the Trustee, making a claim under the Guarantee, subject to the terms set out in these Final Terms and the relevant provisions of the Guarantee;
- (iv) it shall have no right to attach or otherwise seize the Charged Assets (subject as provided above), or any other assets of the Issuer, including, without limitation, any assets allocated to any other compartments of the Issuer; and
- (v) no Certificateholder shall be entitled to petition or take any other step for the liquidation, winding-up or the bankruptcy of the Issuer or any similar proceedings.

Words and expressions defined in the Trust Deed or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated, and provided that, in the event of any inconsistency between the Trust Deed or the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

Certificates may not be exercised within the United States, and the securities may not be delivered within the United States upon exercise, other than in offerings deemed to meet the definition of "offshore transaction" pursuant to Regulation S, unless registered under the Securities Act or an exemption from such registration is available.

1. **Type, title and transfer**

(a) *Type*

The Certificates relate to a specified Index or Basket of Indices ("**Index Linked Certificates**"), a specified Share (including a specified depositary receipt (a "**GDR/ADR**")) or Basket of Shares or a basket of GDRs and/or ADRs ("**Share Linked Certificates**"), a specified debt instrument ("**Debt Security**") or basket of Debt Securities ("**Debt Linked Certificates**"), a specified commodity or commodity index or basket of commodities and/or commodity indices ("**Commodity Linked Certificates**"), a specified inflation index or basket of inflation Indices ("**Inflation Index Linked Certificates**"), a specified currency or basket of currencies ("**Currency Linked Certificates**"), a specified fund share or unit or basket of fund shares or units ("**Fund Linked Certificates**"), market access certificates ("**Market Access Certificates**"), the credit of a specified reference entity or entities ("**Credit Linked Certificates**"), a specified interest in an exchange traded fund, an exchange traded Certificate, an exchange traded commodity or any other exchange traded product (each an "**exchange traded instrument**") or benefit of interests in exchange traded instruments ("**ETI Linked Certificates**") or any other or further type of Certificates as is specified in the applicable Final Terms including Certificates which relate to any combination of such indices, shares, debt securities, commodities, inflation indices, currencies, fund shares or units, market access and other asset classes or types ("**Hybrid Certificates**").

This Certificate is, to the extent specified in the applicable Final Terms, a Fixed Rate Certificate, a Floating Rate Certificate or a Certificate with interest linked to one or more underlying reference assets or bases ("**Underlying Reference(s)**") specified in the applicable Final Terms such as an Index Linked Interest Certificate, a Share Linked Interest Certificate, a Debt Linked Interest Certificate, a Commodity Linked Interest Certificate, an Inflation Linked Interest Certificate, a Currency Interest Linked Certificate, a Fund Linked Interest Certificate, a Credit Linked Interest Certificate, an ETI Linked Interest Certificate or any combination thereof or, subject to all applicable laws and regulations, any other type of Certificate depending on the Interest Basis specified in the applicable Final Terms. This Certificate may be an Index Linked Redemption Certificate, a Share Linked Redemption Certificate, a Debt Linked Redemption Certificate, a Commodity Linked Redemption Certificate, an Inflation Linked Redemption Certificate, a Currency Linked Redemption Certificate, a Fund Linked Redemption Certificate, a Credit Linked Redemption Certificate, an ETI Linked Redemption Certificate, an Instalment Certificate, a Partly Paid Certificate or any combination thereof or, subject to all applicable laws and regulations, any one type of Certificate depending on the Redemption/Payment Basis specified in the applicable Final Terms.

Certificates related to a specified commodity or commodity index or basket of commodities or commodity indices, a specified inflation index or basket of inflation indices, specified currency or basket of currencies, a specified fund share or unit or basket of fund shares or units, the credit of a specified reference entity or reference entities, a specified interest rate or basket of interest rates, specified exchange traded instruments or Hybrid Certificates related to any of these asset classes, may not at any time be offered, sold, resold, held, traded, pledged, exercised, settled, transferred or delivered, directly or indirectly, in the United States or to, by or for the account or benefit of, persons that are U.S. persons as defined in Regulation S under the United States Securities Act of 1933, as amended (the "**Securities Act**") or that are not non-United States Persons as defined in Rule 4.7 under the United States Commodity Exchange Act, as amended.

The applicable Final Terms will indicate whether settlement shall be by way of cash payment ("**Cash Settled Certificates**") or physical delivery ("**Physical Delivery Certificates**"). If Averaging is specified as applying in the applicable Final Terms, the applicable Final Terms will state, amongst other details, the relevant Averaging Dates.

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

include an option (as set out in the applicable Final Terms) at the Issuer's election to request cash settlement of such Certificate pursuant to Condition 6(b)(ii) and where settlement is to be by way of cash payment, and (ii) Physical Delivery Certificates where settlement is to be automatically varied to be by way of a cash payment pursuant to Condition 6(b)(ii)). References in these Terms and Conditions, unless the context otherwise requires, to Physical Delivery Certificates shall be deemed to include references to Cash Settled Certificates which include an option (as set out in the applicable Final Terms) at the Issuer's election to request physical delivery of the relevant underlying asset in settlement of such Certificate pursuant to Condition 6(b)(ii) and where settlement is to be by way of physical delivery.

Certificates may, if specified in the applicable Final Terms, allow Certificateholders to elect for settlement by way of cash payment or by way of physical delivery or by such other method of settlement as is specified in the applicable Final Terms. Those Certificates where the relevant Certificateholder has elected for cash payment will be Cash Settled Certificates and those Certificates where the relevant Certificateholder has elected for physical delivery will be Physical Delivery Certificates. The rights of a Certificateholder as described in this paragraph may be subject to the Issuer's right to vary settlement as indicated in the applicable Final Terms and will be subject to the Issuer's right to substitute assets or pay the Alternate Cash Redemption Amount (as defined below) in lieu of physical delivery in accordance with Condition 6(b)(iii).

(b) *Title to Certificates*

In the case of Certificates represented by a Clearing System Global Certificate held by a Common Depository on behalf of a relevant Clearing System, each person who is for the time being shown in the records of the relevant Clearing System as the holder of a particular amount of such Certificates (in which regard any certificate or other document issued by the relevant Clearing System as to the amount of Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee, the Guarantor, if any, and the relevant Warrant and Certificate Agent as the Certificateholder of such amount of Certificates for all purposes (and the expressions "**Certificateholder**" and "**Holder of Certificates**" and related expressions shall be construed accordingly).

(c) *Title to Registered Certificates*

For so long as the Certificates are represented by a Registered Global Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, each person (other than Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, as the holder of a particular amount of such Certificates (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, as to the amount of Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) (each a "**Certificateholder**") shall be treated by the Issuer, the Guarantor (if any), the Trustee and any Warrant and Certificate Agent as the holder of such amount of such Certificates for all purposes other than with respect to the payment of cash settlement amounts and/or interest with respect to such Certificates for which purpose the registered holder (as shown in the register kept at the principal office of the Registrar (the "**Register**")), provided that, for these and for all other purposes hereunder and notwithstanding any provision to the contrary, in the event of any differences between the information contained in the Register and that contained in the Issuer Register (as defined in the Agency Agreement), the Issuer Register shall prevail) of the relevant Registered Global Certificate shall be treated by the Issuer, the Guarantor (if any), the Trustee and any Warrant and Certificate Agents as the holder of such amount of such Certificates in accordance with and subject to the terms of the relevant Registered Global Certificate.

Without limitation to the foregoing, in determining whether a particular person is entitled to a particular amount of Certificates as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

In the case of definitive Registered Certificates, the Issuer shall cause to be kept at the principal office of the Registrar, a Register on which shall be entered the names and addresses of all Certificateholders, the amount and type of the Certificates held by each Certificateholder and details of all transfers of the Certificates. Each person who is for the time being shown in the Register as the holder of a particular amount of Certificates (each a "**Certificateholder**") shall (except as otherwise required by law) be treated as the absolute owner of such amount of Certificates for all purposes (regardless of any notice of ownership, trust, or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating such person.

(d) *Transfers of Interests in Global Certificates*

Subject as set forth in this Condition, all transactions (including permitted transfers of Certificates) in the open market or otherwise must be effected, in the case of Clearing System Certificates, subject to and in accordance with the rules and procedures for the time being of the relevant Clearing System(s). Title will pass upon registration of the transfer in the books of the relevant Clearing System.

Any reference herein to Clearstream, Luxembourg and/or Euroclear and/or any other relevant Clearing System shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Trustee, the Registrar, the Principal Warrant and Certificate Agent and the Warrant and Certificate Agent from time to time and notified to the relevant Certificateholders in accordance with Condition 19.

(A) *Transfers of Clearing System Certificates*

Transfers of Certificates to a person who takes delivery in the form of Certificates represented by a Global Certificate may be made only in accordance with the following provisions:

- (i) (A) in the case of transfers to a person who takes delivery in the form of Certificates represented by a Global Certificate, from a Holder of Certificates represented by a Global Certificate, to a non-U.S. person in an offshore transaction pursuant to Regulation S; and
- (B) in each case, in accordance with any applicable rules and regulations of the Principal Warrant and Certificate Agent, the relevant Clearing System, and/or as specified in the applicable Final Terms.
- (ii) The Certificateholder must send a free of payment instruction to Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, as the case may be, not later than 10.00 a.m. local time in the city of the relevant Clearing System, one Business Day in the city of the relevant Clearing System prior to the date on which the transfer is to take effect.

Separate payment arrangements are required to be made between the transferor and the transferee.
- (iii) On the transfer date:
 - (A) the relevant Clearing System will debit the account of its participant; and

- (B) the relevant Clearing System or the Certificateholder, as the case may be, will instruct the Principal Warrant and Certificate Agent to instruct Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, as the case may be, to credit the relevant account of the relevant Clearing System participant.

Upon any such transfers, on the transfer date the Principal Warrant and Certificate Agent, will increase or decrease, if appropriate, the number of Certificates represented by the relevant Global Certificate, whereupon the number of Certificates represented by such Global Certificate shall be increased or decreased, if appropriate, for all purposes by the number so transferred and endorsed.

(B) Transfers of Registered Global Certificates

Transfers of beneficial interests in Registered Global Certificates will be effected by Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. Title will pass upon registration of the transfer in the books of Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be.

(e) Transfers of interests in definitive Registered Certificates

Title to definitive Registered Certificates will pass upon the registration of transfers in accordance with the provisions of the Agency Agreement. A definitive Registered Certificate may be transferred by the transferor or a person duly authorised on behalf of the transferor depositing at the specified office of the Registrar a duly completed transfer certificate (a "**Transfer Certificate**") in the form set out in the Agency Agreement (copies of which are available from the Registrar) signed by or on behalf of the transferor and upon the Registrar after due and careful enquiry being satisfied with the documents of title and the identity of the person making the request and subject to the regulations set out in Schedule 3 to the Agency Agreement, the Registrar should enter the name of the transferee in the Register for the definitive Registered Certificates as the Certificateholder of the Registered Certificate specified in the form of transfer.

Certificateholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum determined by the Calculation Agent sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration or exchange in the jurisdiction of the Issuer or in any other jurisdiction where the Registrar's specified office is located.

Registered Certificates and interests therein may not be transferred at any time, directly or indirectly, in the United States or to or for the benefit of a U.S. person, and any such transfer shall not be recognised.

(f) Registration of transfer upon partial redemption

In the event of a partial redemption of Certificates under Condition 8 (*Redemption, Purchases and Cancellation*), the Issuer shall not be required to register the transfer of any Registered Certificate, or part of a Registered Certificate, called for partial redemption.

2. **Status of the Certificates; Guaranteed Certificates**

(a) *Status of the Certificates*

The Certificates are secured, limited recourse obligations of the Issuer, ranking *pari passu* without any preference among themselves (unless otherwise specified in the applicable Final Terms), which are secured in the manner described in Condition 9 (*Compartment Assets*) and recourse in respect of which is limited in the manner described in Condition 9 (*Compartment Assets*) and the applicable Final Terms.

(b) *Guaranteed Certificates*

If the Certificates are "**Guaranteed Certificates**" as specified in the applicable Final Terms, and subject to the satisfaction of the conditions set out therein and in the relevant provisions of the Supplemental Trust Deed applicable to such Certificates, the payment obligations of the Issuer in respect of such Guaranteed Certificates will have the benefit of a guarantee (the "**Guarantee**") in favour of the Trustee (for itself, and as trustee for holders of such Guaranteed Certificates) made by BNP Paribas or any alternative guarantor specified in the applicable Final Terms (in such capacity, each the "**Guarantor**"). The Issuer will not issue any Guaranteed Certificates where the Guarantor is an entity other than BNP Paribas (other than unlisted Guaranteed Certificates which are offered in such a manner such that a prospectus is not required in accordance with Article 3(2) of the Prospectus Directive) unless it has first made available a base prospectus supplement which will describe the relevant Guarantor, the terms of the Guarantee and the effect of any such Guarantee on such Certificates.

Unless otherwise specified in the applicable Final Terms, the Guarantee (if applicable) constitutes an unsecured, unsubordinated and general obligation of the Guarantor and ranks and will rank (i) *pari passu* with all other existing and future unsecured, unsubordinated and general obligations of the Guarantor, but excluding any debts for the time being preferred by law, and (ii) senior to any subordinated obligations.

(c) *Subrogation of the Guarantor*

Under the Guarantee, the Guarantor will be subrogated to any rights of the holders of the Guaranteed Certificates and the Trustee against the Issuer to the fullest extent permitted by applicable law and to the extent of such payment in respect of amounts due in respect of the Certificates which have been paid by the Guarantor under the Guarantee.

3. **Restrictions**

(a) The Issuer has covenanted in the Trust Deed that, inter alia, so long as any of the Certificates remains outstanding, it will not, without the prior written consent of the Trustee:

(i) engage in any activity or do anything whatsoever, except:

(A) issue instruments which are subject to the Securitisation Act 2004 and the enforcement and limited recourse provisions of the Trust Deed or any other relevant agreement ("**Permitted Instruments**", provided that such term shall include, without limitation, Related Agreements, notes, warrants, Certificates and Further Certificates (each as defined below));

(B) otherwise incur indebtedness (any such indebtedness, "**Permitted Indebtedness**") in respect of moneys borrowed or raised where such indebtedness is incurred on terms that it is subject to, and in compliance with, the Securitisation Act 2004 and/or is secured on assets or other property which are not part of the Charged Assets and on terms which provide for the

extinguishment of all claims in respect of such indebtedness after application of the proceeds of the assets or property on which such indebtedness is secured;

- (C) enter into any deed or agreement of any kind related to any Permitted Instrument or Permitted Indebtedness, but provided always that any such deed or agreement is entered into on terms that the obligations of the Issuer thereunder relate to a compartment of specified assets of the Issuer (other than its share capital) which does not form part of the Charged Assets and on terms which provide for extinguishment of all claims in respect of such obligations after application of the assets on which such indebtedness is secured;
 - (D) acquire, or enter into any agreement constituting, the collateral in respect of any Permitted Instrument or the assets securing any Permitted Indebtedness to enable it to discharge its obligations under such Permitted Instrument or Permitted Indebtedness;
 - (E) perform its obligations under each Permitted Instrument or Permitted Indebtedness, or any deed or agreement incidental to the issue and constitution of, or the granting of security for, any Permitted Instrument or Permitted Indebtedness;
 - (F) enforce any of its rights whether under any deed or agreement entered into in relation to any Permitted Instrument or Permitted Indebtedness;
 - (G) perform any act incidental to or necessary in connection with any of the above; or
 - (H) as permitted by the Conditions;
- (ii) have any subsidiaries;
 - (iii) have any employees;
 - (iv) dispose of any of its property or other assets or any part thereof or interest therein (subject (A) to this subparagraph (a) and (B) as provided in the terms and conditions relating to any Permitted Instrument or the terms and conditions relating to any Permitted Indebtedness);
 - (v) issue any further fungible Certificates unless the trustee and/or guarantor thereof is the same person as, respectively, the Trustee and/or, as the case may be, the Guarantor for the Certificates;
 - (vi) pay any dividend or make any other distribution to its members;
 - (vii) guarantee or become obligated for the debts of any other entity or hold out its credit as being available to satisfy the obligations of others;
 - (viii) pledge its assets for the benefit of any other entity or make any loans or advances to any entity (other than in connection with or in respect of Permitted Instruments and Permitted Indebtedness); or
 - (ix) consolidate or merge with any other person.
- (b) The Issuer has covenanted in the Trust Deed that, inter alia, save with the prior written consent of the Trustee, the Issuer shall, so long as any of the Certificates remains outstanding:
- (i) maintain proper books and records, accounts and financial statements for each Compartment and for the Issuer;

- (ii) hold itself out as a separate entity, conduct its business in its own name and maintain an arm's length relationship with its affiliates (if any);
- (iii) notify the Trustee in writing immediately on becoming aware of the occurrence of any Event of Default or Potential Event of Default or the proposed mandatory redemption of any Certificate;
- (iv) provide the Trustee with certain certificates within specified timeframes that no Event of Default or Potential Event of Default has occurred since the Certification Date of the last certificate or the date of the Trust Deed, or, if such an event has occurred, giving details of it;
- (v) for each Series send to the Trustee at least 48 hours (if practicable) before it is to be issued the form of each notice to be given to the Certificateholders and, once given, two copies of each such notice;
- (vi) forthwith upon request by the Trustee give notice to the Certificateholders of any Series of any unconditional payment to the Principal Warrant and Certificate Agent or the Trustee of any sum due in respect of the Certificates of such Series made after the due date for such payment;
- (vii) in relation to each Series:
 - (A) comply and procure that each of the parties thereto complies with its obligations under the Agency Agreement, any Swap Agreement, any Deposit Agreement or any Repurchase Agreement; and
 - (B) procure that any Swap Counterparty gives the Trustee notice of any substitution of the Compartment Assets with substitute securities or cash substitute in accordance with the terms of Condition 9(f) (*Compartment Assets substitution by Swap Counterparty*);
- (viii) not commingle its assets with those of any other entity; and
- (ix) observe all formalities required by its memorandum and articles of association (including maintaining adequate capital for its operations).

4. **Interest**

(a) *Interest on Fixed Rate Certificates*

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

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

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

Interest shall be calculated by applying the Rate of Interest to: (1) in the case of Fixed Rate Certificates which are represented by a Global Certificate, the aggregate outstanding Notional Amount of the Fixed Rate Certificates represented by such Global Certificate (or, if they are Partly Paid Certificates, the aggregate amount paid up); or (2) in the case of Fixed Rate Certificates in definitive form, the Calculation Amount, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

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

- (b) *Interest on Floating Rate Certificates, Index Linked Interest Certificates, Share Linked Interest Certificates, Debt Linked Interest Certificates, Commodity Linked Interest Certificates, Inflation Linked Interest Certificates, Currency Linked Interest Certificates, Fund Linked Interest Certificates, Credit Linked Interest Certificates, ETI Linked Interest Certificates, Hybrid Certificates and Certificates with interest linked to other Underlying References*

- (i) *Interest Period End Dates and Interest Payment Dates*

Each Floating Rate Certificate and, subject to the provisions of Condition 4(d) below and unless otherwise specified in the applicable Final Terms, each Index Linked Interest Certificate, Share Linked Interest Certificate, Debt Linked Interest Certificate, Commodity Linked Interest Certificate, Inflation Linked Interest Certificate, Currency Linked Interest Certificate, Fund Linked Interest Certificate, Credit Linked Interest Certificate, ETI Linked Interest Certificate, Hybrid Certificate and Certificates with interest linked to other Underlying References bears interest on its notional amount (or, if it is a Partly Paid Certificate, in accordance with Condition 4(e) in respect of each Interest Period (which expression shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date to (but excluding) the next (or first) Interest Period End Date (each such latter date the "**Interest Period End Final Date**" for the relevant Interest Period)). For the purposes of this Condition 4(b), "**Interest Period End Date**" shall mean either:

- (A) the specified Interest Period End Date(s) in each year specified in the applicable Final Terms; or
- (B) if no Interest Period End Date(s) is/are specified in the applicable Final Terms, each date which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Period End Date or, in the case of the first Interest Period End Date, after the Interest Commencement Date.

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

If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (x) if there is no numerically corresponding day on the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (y) if any Interest Period End Date or Interest Payment Date, as the case may be, would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(A) above, the Floating Rate Convention, such Interest Period End Date or Interest Payment Date, as the case may be, (I) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (2) below shall apply *mutatis mutandis* or (II) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (aa) such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day and (bb) each subsequent Interest Period End Date or Interest Payment Date, as the case may be, shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Period End Date or Interest Payment Date, as the case may be, occurred; or
- (2) the Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day.

In these Conditions, "**Business Day**" means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and

- (b) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (any such centre, an "**Additional Business Centre**" and which, if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (ii) in relation to any sum payable in euro, a day (a "**TARGET Settlement Day**") on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("**TARGET2**") payment system which utilises a single platform and which was launched on 19 November 2007 (or, if such system ceases to be operative, such system (if any) determined by the Calculation Agent to be a suitable replacement) (the "**TARGET System**") is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Certificates, Index Linked Interest Certificates, Share Linked Interest Certificates, Debt Linked Certificates, Commodity Linked Interest Certificates, Inflation Linked Interest Certificates, Currency Linked Interest Certificates, Fund Linked Interest Certificates, Credit Linked Interest Certificates, ETI Linked Interest Certificates and Certificates with interest linked to other Underlying References will be determined in the manner specified in the applicable Final Terms.

(iii) *ISDA Determination*

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

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

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

(iv) *AFB Determination*

Where so specified in the applicable Final Terms, interest will be payable on such dates, at such a rate (the "**AFB Rate**") and in such amounts, plus or minus (as indicated in the applicable Final Terms) the Margin (if any), as would have been payable (regardless of any event of default or termination event thereunder) by the Issuer if it had entered into an interest rate swap transaction governed by an agreement in the form of the Master

Agreement relating to foreign exchange and derivatives transactions (an "**AFB Agreement**"), as in effect on the date of issue of the Certificates, published by the Association Française des Banques/Fédération Bancaire Française and evidenced by a Confirmation (as defined in the AFB Agreement) with the holder of the relevant Certificate under which:

- (A) the Issuer was the Floating Amount Payer;
- (B) the Principal Warrant and Certificate Agent (as defined herein) was the Agent (as defined in the AFB Agreement) or as otherwise specified in the applicable Final Terms;
- (C) the Interest Commencement Date was the Transaction Date;
- (D) the Notional Amount in respect of a Certificate was the Notional Amount (as defined in the AFB Agreement);
- (E) the Interest Payment Dates were the Floating Amount Payment Dates; and
- (F) all other terms were as specified in the applicable Final Terms.

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

- (1) the amount of interest determined for such Interest Payment Date will be the Interest Amount for the relevant Interest Period for the purposes of these Terms and Conditions as though determined under sub-paragraph (vi) below;
- (2) the Rate of Interest for such Interest Period will be the Floating Rate (as defined in the AFB Agreement) determined by the Principal Warrant and Certificate Agent in accordance with the preceding sentence; and
- (3) the Principal Warrant and Certificate Agent will be deemed to have discharged its obligations under subparagraph (vi) below if it has determined the Rate of Interest and the Interest Amount payable on such Interest Payment Date in the manner provided in the preceding sentence.

(v) *Screen Rate Determination*

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

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

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

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

If on any Interest Determination Date one only or none of the Reference Banks provides the Principal Warrant and Certificate Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Warrant and Certificate Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Principal Warrant and Certificate Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR), or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Warrant and Certificate Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, anyone or more banks (which bank or banks is or are in the opinion of the Issuer and the Principal Warrant and Certificate Agent suitable for such purpose) informs the Principal Warrant and Certificate Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR), or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) (or, as the case may be, the quotations of such bank or banks to the Principal Warrant and Certificate Agent) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

"Reference Banks" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Principal Warrant and Certificate Agent and approved in writing by the Trustee, or as specified in the applicable Final Terms.

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

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

The Principal Warrant and Certificate Agent, in the case of Floating Rate Certificates, and the Calculation Agent, in the case of Index Linked Interest Certificates, Share Linked Interest Certificates, Debt Linked Certificates, Commodity Linked Interest Certificate, Inflation Linked Interest Certificates, Currency Linked Interest Certificate, Fund Linked Interest Certificate, Credit Linked Interest Certificates, ETI Linked Interest Certificates and Certificates with interest linked to other Underlying References, will, on or as soon as practicable after each date on which the Rate of Interest is to be determined (the "**Interest Determination Date**"), determine the Rate of Interest (subject to any Minimum Interest Rate or Maximum Interest Rate specified in the applicable Final Terms) for the relevant Interest Period. In the case of Index Linked Interest Certificates, Share Linked Interest Certificates, Debt Linked Certificates, Commodity Linked Interest Certificates, Inflation Linked Interest Certificates, Currency Linked Interest Certificates, Fund Linked Interest Certificates, Credit Linked Interest Certificates, ETI Linked Interest Certificates and Certificates with interest linked to other Underlying References, the Calculation Agent will notify the Principal Warrant and Certificate Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Principal Warrant and Certificate Agent or Calculation Agent, as applicable, will calculate the amount of interest (the "**Interest Amount**") payable on the Certificates for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Certificates, Index Linked Interest Certificates, Share Linked Interest Certificates, Debt Linked Certificates, Commodity Linked Interest Certificates, Inflation Linked Interest Certificates, Currency Linked Interest Certificates, Fund Linked Interest Certificates, Credit Linked Interest Certificates, ETI Linked Interest Certificates and Certificates with interest linked to other Underlying References which are represented by a Global Certificate, the aggregate outstanding Notional Amount of the Certificates represented by such Global Certificate (or, if they are Partly Paid Certificates, the aggregate amount paid up); or
- (B) in the case of Floating Rate Certificates, Index Linked Interest Certificates, Share Linked Interest Certificates, Debt Linked Certificates, Commodity Linked Interest Certificates, Inflation Linked Interest Certificates, Currency Linked Interest Certificates, Fund Linked Interest Certificates, Credit Linked Interest Certificates, ETI Linked Interest Certificates and Certificates with interest linked to other Underlying References in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the Day Count Fraction specified in the applicable Final Terms and rounding the resultant figure to the nearest sub-unit (as defined above) of the relevant Specified Currency, one half of such a sub-unit being rounded upwards or otherwise in accordance with the applicable market convention.

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

- (A) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:
 - (i) in the case of Certificates where the number of days in the relevant period from (and including) the most recent Interest Period End Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number

of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

- (ii) in the case of Certificates where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (x) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
 - (y) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;

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

"Determination Period" means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the Interest Period End Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

- (B) if **"Actual/Actual (ISDA)"** or **"Actual/Actual"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (C) if **"Actual/365 (Fixed)"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (D) if **"Actual/365 (Sterling)"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (E) if **"Actual/360"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (F) if **"30/360"**, **"360/360"** or **"Bond Basis"** is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

"Y1" is the year expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31 in which case D1, will be 30; and

"D2" is the calendar day expressed as a number immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

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

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

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31 in which case D1, will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30;

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

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

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Redemption Date or (ii) such number would be 31 in which case D2 will be 30.

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

(vii) *Minimum and/or Maximum Interest Rate*

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

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

If the applicable Final Terms specifies a Rate Multiplier for any Interest Period, then, the Rate of Interest in respect of any such Interest Period shall be multiplied by the relevant Rate Multiplier, subject always to the Minimum and/or Maximum Rate of Interest as described above.

(viii) *Notification of Rate of Interest and Interest Amount*

The Principal Warrant and Certificate Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Guarantor (if applicable) (such notifications to occur no later than the Business Day following such determination), (in the case of Certificates which are listed on the Luxembourg Stock Exchange and where the rules of such stock exchange so require) the Luxembourg Stock Exchange and, if applicable, to any other stock exchange on which the relevant Certificates are for the time being listed. In addition, the Principal Warrant and Certificate Agent (except where the relevant Certificates are unlisted and are in global form and held in their entirety on behalf of Euroclear and Clearstream, Luxembourg in which event there may be substituted for such publication the delivery of such notice to Euroclear and Clearstream, Luxembourg for communication to the Certificateholders) shall publish or cause to be published such Rate of Interest, Interest Amount and Interest Payment Date in accordance with Condition 19 as soon as possible

after their determination but in no event later than the fifth Luxembourg Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Certificates are for the time being listed and to the Certificateholders in accordance with Condition 19. For the purposes of these Conditions, the expression "**Luxembourg Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for business in Luxembourg.

(ix) *Certificates to be Final*

All certificates, communications, determinations, calculations and decisions made for the purposes of the provisions of this paragraph (b) by the Principal Warrant and Certificate Agent or, if applicable, the Calculation Agent or the Trustee, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor (if applicable), the Principal Warrant and Certificate Agent, the other Warrant and Certificate Agents (if any), or, if applicable, the Calculation Agent and all Certificateholders, and (in the absence as aforesaid) no liability to the Certificateholders shall attach to the Principal Warrant and Certificate Agent or, if applicable, the Calculation Agent or the Trustee, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(d) *Interest on Index Linked Interest Certificates, Share Linked Interest Certificates, Debt Linked Certificates, Commodity Linked Interest Certificates, Inflation Linked Interest Certificates, Currency Linked Interest Certificates, Fund Linked Interest Certificates, Credit Linked Interest Certificates, ETI Linked Interest Certificates and Certificates with interest linked to other Underlying References*

In the case of Index Linked Interest Certificates, Share Linked Interest Certificates, Debt Linked Certificates, Commodity Linked Interest Certificates, Inflation Linked Interest Certificates, Currency Linked Interest Certificates, Fund Linked Interest Certificates, Credit Linked Interest Certificates, ETI Linked Interest Certificates and Certificates with interest linked to other Underlying References, where the Rate of Interest and/or the Interest Amount (whether on any Interest Payment Date, early redemption, maturity or otherwise) falls to be determined by reference to one or more Inflation or other Indices, Shares, GDRs and/or ADRs, Commodities, formulae, exchange rates, Fund Shares, units or interests (or any combination thereof) and/or otherwise, the Rate of Interest and/or the Interest Amount shall be determined in the manner specified in the applicable Final Terms.

(e) *Interest on Partly Paid Certificates*

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

(f) *Interest Payments*

Interest will be paid subject to and in accordance with the provisions of Condition 6 (*Payments and Physical Delivery*). Interest will cease to accrue on each Certificate (or, in the case of the redemption of part only of a Certificate, that part only of such Certificate) on the due date for redemption thereof unless, upon due presentation thereof, payment of principal or the payment, and/or delivery of the Entitlement (if applicable), is improperly withheld or refused, in which event interest will continue to accrue (as well after as before any judgment) at the Fixed Rate or, as the case may be, the Rate of Interest or as otherwise provided in the applicable Final Terms until whichever is the earlier of (i) the day on which all sums due in respect of such Certificate up to that day are received by or on behalf of the holder of such Certificate and (ii) the day on which the

Principal Warrant and Certificate Agent has notified the holder thereof (either in accordance with Condition 19 (*Notices*) or individually) of receipt of all sums due in respect thereof up to that date.

(g) *Determination or Calculation by Trustee*

If for any reason at any relevant time the Principal Warrant and Certificate Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest or the Principal Warrant and Certificate Agent defaults in its obligation to calculate any Interest Amount in accordance with Conditions 4(b)(ii)-(v) (inclusive) or as otherwise specified in the applicable Final Terms, as the case may be, and in each case in accordance with Condition 4(b)(vi), the Trustee shall, (or shall appoint an agent on its behalf to do so), determine the Rate of Interest at such rate as, in its sole and absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition 4, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall (or shall appoint an agent on its behalf to do so) calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Principal Warrant and Certificate Agent or the Calculation Agent, as applicable.

"Determination Period" means each period from and including a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

"Interest Period" means, unless otherwise specified in the applicable Final Terms, the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date or such other period as is specified in the applicable Final Terms.

"Interest Rate_(i-1)" means, in respect of an Interest Period, the Rate of Interest determined by the Calculation Agent in respect of the immediately preceding Interest Period. For the avoidance of doubt, Interest Rate_(i-1) is expressed as a rate per annum, unless otherwise specified in the Final Terms.

"Issue Date" means the date specified as such on the applicable Final Terms.

(h) *Rounding generally*

In connection with the calculation of any amount payable in respect of the Certificates (including, without limitation, interest) and unless otherwise provided in these Terms and Conditions or in the applicable Final Terms, such amounts will, if necessary, be rounded to the nearest sub-unit (as defined above) of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise as specified in the applicable Final Terms.

5. **Premium Amount**

- (a) If so specified in the applicable Final Terms the Certificates will not bear or pay interest but will pay one or more premium amounts, each such premium amount representing an amount payable by the Issuer as compensation for, and in recognition of, the assumption of the risk that in certain circumstances the Cash Settlement Amount payable on redemption of the Certificates may be less than the Issue Price or even zero.
- (b) A premium amount may be a fixed amount, a variable amount and/or an amount calculated by reference to the performance of one or more index or custom index, share, inflation index, interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or other

exchange traded product (each an "**exchange traded instrument**"), commodity and/or commodity index, foreign exchange rate, fund and/or the credit of one or more reference entity or any combination thereof in the manner specified in the applicable Final Terms (such Certificates, "**Linked Premium Amount Certificates**").

- (c) Each Certificate will pay the Premium Amount on each Premium Amount Payment Date, provided that, if Automatic Early Redemption is specified as applicable in the applicable Final Terms, no Automatic Early Redemption Event has occurred on or prior to such Premium Amount Payment Date. If an Automatic Early Redemption Event has occurred, no Premium Amount will be paid on Premium Amount Payment Date.
- (d) The Premium Amount shall be paid as provided in Condition 6 (*Payments and Physical Delivery*).
- (e) Definitions relating to Premium Amount(s):

"**Premium Amount**" means, in respect of a Premium Amount Payment Date, an amount specified or calculated by the Calculation Agent on the basis set out, in either case in the applicable Final Terms; and

"**Premium Amount Payment Date**" means each date specified as such in the applicable Final Terms.

- (f) The Calculation Agent will cause each Premium Amount for each Premium Amount Payment Date to be notified to the Principal Warrant and Certificate Agent, the Issuer and the Guarantor (if applicable) (such notifications to occur no later than the Business Day following such determination), and (in the case of Certificates which are listed on the Luxembourg Stock Exchange and the rules of such stock exchange so require) Luxembourg Stock Exchange and, if applicable, to any other stock exchange on which the relevant Certificates are for the time being listed. In addition, the Calculation Agent shall publish or cause to be published such Premium Amount in accordance with Condition 19 as soon as possible after their determination but in no event later than the fifth Luxembourg Business Day thereafter.

6. **Payments and Physical Delivery**

For the purposes of this Condition 6, references to payment or repayment (as the case may be) of principal and/or interest and other similar expressions will, where the context so admits, be deemed also to refer to physical delivery of any Entitlement.

- (a) *Method of Payment*
- (i) *Registered Certificates*

Payments of the Cash Settlement Amount (or, where Certificates are redeemable in instalments, the final instalment) in respect of each Registered Certificate (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Certificate at the specified office of the Registrar or any of the Warrant and Certificate Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Certificate appearing in the Register at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and/or any other relevant Clearing System are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date (in each case, the "**Record Date**"). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the aggregate Issue Price of the Certificates held by a holder is less than U.S.\$250,000 (or integral multiples of U.S.\$1,000 in excess thereof) (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified

Currency drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and, where Certificates are redeemable in instalments, each instalment (other than the final instalment) in respect of each Registered Certificate (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Certificate appearing in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the Record Date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Certificate, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Registered Certificates which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Certificate on redemption and the final instalment (if applicable) will be made in the same manner as payment of the Cash Settlement Amount in respect of such Registered Certificate.

Holders of Registered Certificates will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Certificate as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of the Cash Settlement Amount, any instalment (if applicable) or interest in respect of the Registered Certificates.

Neither the Issuer, the Guarantor (if applicable), the Trustee nor any of the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Certificates or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(ii) *Global Certificates*

Except in the case of Registered Certificates, payments of the Cash Settlement Amount, any instalments (if applicable) and interest (if any) in respect of Certificates represented by any Global Certificate will be made in the manner specified in the relevant Global Certificate against presentation or surrender, as the case may be, of such Global Certificate at the specified office of any Warrant and Certificate Agent outside of the United States. A record of each payment made on such Global Certificate, distinguishing between any payment of principal and any payment of interest, will be made on such Global Certificate by the Warrant and Certificate Agent to which such Global Certificate is presented for the purpose of making such payment, and such record shall be prima facie evidence that the payment in question has been made.

The holder of the relevant Global Certificate shall be the only person entitled to receive payments in respect of Certificates represented by such Global Certificate and the payment obligations of the Issuer or the Guarantor (if applicable) will be discharged by payment to, or to the order of, the holder of such Global Certificate in respect of each amount so paid. Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg as the holder of a particular Notional Amount of Certificates must look solely to Euroclear and/or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of the

relevant Global Certificate. No person other than the holder of the relevant Global Certificate shall have any claim against the Issuer or the Guarantor (if applicable) in respect of any payments due on that Global Certificate.

Where the Certificates pay Premium Amount(s), subject as provided below, the Issuer, failing which, the Guarantor (if applicable), shall pay or cause to be paid the Premium Amount for each Certificate in respect of each Premium Amount Payment Date by credit or transfer to the Certificateholder's account with the relevant Clearing System for value on the relevant Premium Amount Payment Date, such payment to be made in accordance with the rules of such Clearing System.

If any date for payment of any amount in respect of any Certificate is not a Payment Day, then the holder thereof shall not be entitled to payment of the amount due until the next following Payment Day and shall not be entitled to any interest or other sum in respect of any such delay.

For these purposes, "**Payment Day**" means any day which (subject to Condition 11 (*Prescription*)) is:

a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

- (A) each Financial Centre specified in the applicable Final Terms; and
- (B) in relation to any sum payable in euro, a day on which the TARGET System is open. If the due date for redemption of any interest bearing Certificate in definitive form is not a due date for the payment of interest relating thereto, interest accrued in respect of such Certificate from (and including) the last preceding due date for the payment of interest (or from the Interest Commencement Date) will be paid against surrender of such Certificate.

The names of the initial Principal Warrant and Certificate Agent and the other initial Warrant and Certificate Agents and their initial specified offices are set out below. The Issuer reserves the right at any time to vary or terminate the appointment of any Warrant and Certificate Agent and to appoint additional or other Warrant and Certificate Agents and/or to approve any change in the specified office of any Warrant and Certificate Agent, provided that:

- (1) so long as any Certificates are listed on any stock exchange, there will at all times be a Warrant and Certificate Agent and a Transfer Agent, which may be the Registrar (in the case of Registered Certificates) with a specified office in the place required by the rules and regulations of the relevant stock exchange; and
- (2) there will at all times be a Principal Warrant and Certificate Agent and a Registrar; and
- (3) the Issuer undertakes that it will ensure that it maintains a Warrant and Certificate Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusion of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

Payments in respect of the Certificates will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 10.

(b) *Physical Delivery*

(i) *Physical Delivery*

(A) *Asset Transfer Notices*

In relation to Certificates to be redeemed by delivery or (in the case of Credit Linked Certificates) Delivery of the Entitlement(s) ("**Entitlement**" shall be as set

out in the Final Terms), in order to obtain delivery or Delivery of the Entitlement in respect of any Certificate, the relevant Certificateholder must:

- (1) if such Certificate is represented by a Global Certificate, the relevant Certificateholder must deliver to Euroclear or Clearstream, Luxembourg (as applicable), with a copy to the Warrant and Certificate Agent and any entity appointed by the Issuer to deliver or Deliver, as the case may be, the Entitlement on its behalf (the "**Delivery Agent**") not later than the close of business in each place of reception on the Cut-Off Date, a duly completed asset transfer notice (an "**Asset Transfer Notice**") in the form set out in the Agency Agreement; and
- (2) if such Certificate is in definitive form, the relevant Certificateholder must deliver to the Registrar or any Warrant and Certificate Agent, with a copy to the Principal Warrant and Certificate Agent and the Delivery Agent (as defined above) not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice in the form set out in the Agency Agreement.

For the purposes hereof, "**Cut-off Date**" means the date specified as such in the applicable Final Terms or if not so specified (a) in respect of a Certificate that is not a Credit Linked Certificate, the fifth Business Day immediately preceding the Redemption Date or (b) in respect of a Credit Linked Certificate, the first Business Day immediately preceding the Settlement Date.

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

An Asset Transfer Notice may only be delivered (I) if such Certificate is represented by a Global Certificate, in such manner as is acceptable to Euroclear or Clearstream, Luxembourg, as the case may be, or (II) if such Certificate is in definitive form, in writing.

If this Certificate is in definitive form, this Certificate must be delivered together with the duly completed Asset Transfer Notice.

The Asset Transfer Notice shall:

- (aa) specify the name, address and contact telephone number of the relevant Certificateholder and the person from whom the Issuer or Delivery Agent may obtain details for the delivery or Delivery of the Entitlement;
- (bb) specify the series number of the Certificates and the number of Certificates which are the subject of such notice;
- (cc) in the case of Certificates represented by a Global Certificate, specify the number of Certificates which are the subject of such notice and the number of the Certificateholder's account at the relevant Clearing System to be debited with such Certificates and irrevocably instruct and authorise the relevant Clearing System to debit the relevant Certificateholder's account with such Certificates on or before the Delivery Date or (in the case of Credit Linked Certificates) the Settlement Date;
- (dd) include an undertaking to pay all Expenses and, in the case of Certificates represented by a Global Certificate, an authority to the

relevant Clearing System to debit a specified account of the Certificateholder with the relevant Clearing System in respect thereof and to pay such Expenses;

- (ee) include such details as are required for delivery or Delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered or Delivered and specify the name and number of the Certificateholder's account to be credited with any cash payable by the Issuer, including pursuant to Credit Linked Condition 4, in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver and the Issuer (following a notification to such effect from the Calculation Agent) electing to pay the Disruption Cash Redemption Amount or Failure to Deliver Redemption Amount, as applicable, or as a result of the Issuer (following a notification to such effect from the Calculation Agent) electing to pay the Alternate Cash Redemption Amount;
- (ff) certify that the beneficial owner of each Certificate is not a U.S. person (as defined in the Asset Transfer Notice), the Certificate is not being redeemed within the United States or on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any redemption thereof; and
- (gg) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

If Condition 6(b)(ii) (*Variation of Settlement*) applies, the form of Asset Transfer Notice required to be delivered will be different from that set out above. Copies of such Asset Transfer Notice may be obtained from the Registrar or any Warrant and Certificate Agent.

(B) *Verification of the Certificateholder*

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

(C) *Determinations and Delivery*

Any determination as to whether an Asset Transfer Notice is duly completed and in proper form shall be made, in the case of Certificates represented by a Global Certificate, by the relevant Clearing System or, in the case of Certificates in

definitive form, by the Registrar, or in each case in consultation with the Principal Warrant and Certificate Agent, and shall be conclusive and binding on the Issuer, the Guarantor (if applicable), the Principal Warrant and Certificate Agent(s), any Delivery Agent and the relevant Certificateholder. Subject as set out below, any Asset Transfer Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Warrant and Certificate Agent and any Delivery Agent immediately after being delivered or sent as provided in paragraph (A) above, shall be null and void.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of, in the case of Certificates represented by a Global Certificate, the relevant Clearing System, or, in the case of Certificates in definitive form, by the Registrar, or in each case in consultation with the Principal Warrant and Certificate Agent, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered as provided above.

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

The Entitlement will be delivered at the risk of the relevant Certificateholder, in the manner provided below on the date fixed for redemption (such date, subject to adjustment in accordance with this Condition, the "**Delivery Date**") or in the case of Credit Linked Certificates Delivered at the risk of the relevant Certificateholder, in the manner provided below on the Settlement Date, provided that the Asset Transfer Notice is duly delivered as provided above on or prior to the Cut-Off Date.

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

The Issuer (or any Delivery Agent on its behalf) shall at the risk of the relevant Certificateholder, deliver or procure the delivery of the Entitlement for each Certificate or (in the case of Credit Linked Certificates) Deliver the Deliverable Obligations comprising the Entitlement, pursuant to the details specified in the Asset Transfer Notice or in such commercially reasonable manner as the Calculation Agent shall in its sole discretion determine and notify to the person designated by the Certificateholder in the relevant Asset Transfer Notice. All costs, taxes, duties and/or expenses including stamp duty, stamp duty reserve tax and/or other costs, duties or taxes ("**Expenses**") arising from the delivery of the Entitlement or the Delivery of the Deliverable Obligations comprising the Entitlement, as the case may be, in respect of such Certificates shall be for the account of the relevant Certificateholder and no delivery of the Entitlement or the Delivery of the Deliverable Obligations comprising the Entitlement, as the case

may be, shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Certificateholder.

(D) *General*

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

Following the Delivery Date of a Share all dividends on the relevant Shares to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares executed on the Delivery Date and to be delivered in the same manner as such relevant Shares. Any such dividends to be paid to a Certificateholder will be paid to the account specified by the Certificateholder in the relevant Asset Transfer Notice as referred to in Condition 6(b)(i)(A) (*Asset Transfer Notices*).

For such period of time after delivery or Delivery of the Entitlement as the Issuer or any person acting on behalf of the Issuer shall continue to be the legal owner of the securities or Deliverable Obligations comprising the Entitlement (the "**Intervening Period**"), none of the Issuer, the Guarantor (if applicable), the Warrant and Certificate Agents, the Registrar, any Delivery Agent or any other person shall at any time (i) be under any obligation to deliver or procure delivery to any Certificateholder any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such securities, obligations or Deliverable Obligations, (ii) be under any obligation to exercise or procure exercise of any or all rights attaching to such securities, obligations or Deliverable Obligations or (iii) be under any liability to a Certificateholder in respect of any loss or damage which such Certificateholder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening Period as legal owner of such securities, obligations or Deliverable Obligations.

(E) *Settlement Disruption*

The provisions of this Condition 6(b)(i)(E) apply to Certificates other than Credit Linked Certificates.

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

Disruption Event affects some but not all of the Relevant Assets comprising the Entitlement, the Delivery Date for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Delivery Date. For so long as delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Certificate by payment to the relevant Certificateholder of the Disruption Cash Redemption Amount (as defined below) on the fifth Business Day following the date that notice of such election is given to the Certificateholders in accordance with Condition 19 (*Notices*). Payment of the Disruption Cash Redemption Amount will be made in such manner as shall be notified to the Certificateholders in accordance with Condition 19 (*Notices*). The Calculation Agent shall give notice as soon as practicable to the Certificateholders in accordance with Condition 19 (*Notices*) that a Settlement Disruption Event has occurred. No Certificateholder shall be entitled to any payment in respect of the relevant Certificate in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer.

For the purposes hereof:

"Disruption Cash Redemption Amount", in respect of any relevant Certificate, shall be the fair market value of such Certificate (taking into account, where the Settlement Disruption Event affected some but not all of the Relevant Assets comprising the Entitlement and such non affected Relevant Assets have been duly delivered as provided above, the value of such Relevant Assets), less the cost to the Swap Counterparty and/or its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion;

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

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

"Relevant Asset" means the Relevant Asset specified in the applicable Final Terms.

(F) *Additional Provisions for Credit Linked Certificates*

In the case of Credit Linked Certificates, the provisions contained in Annex 9 - "Additional Terms and Conditions for Credit Linked Securities" will apply.

(ii) *Variation of Settlement*

- (A) If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Certificates, the Issuer may, at its sole and unfettered discretion in respect of each such Certificate, elect not to pay the relevant Certificateholders the Cash Settlement Amount or to deliver or procure delivery of the Entitlement to the relevant Certificateholders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Cash Settlement Amount on the Redemption Date to the relevant

Certificateholders, as the case may be. Notification of such election will be given to Certificateholders in accordance with Condition 19 (*Notices*).

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

(iii) *Issuer's Option to Substitute Assets or to pay the Alternate Cash Redemption Amount*

Notwithstanding any provision of these Conditions to the contrary, the Issuer may, in its sole and absolute discretion in respect of such Certificates, if the Calculation Agent determines (in its sole and absolute discretion) that the Relevant Asset or Relevant Assets, as the case may be, comprises shares which are not freely tradeable, elect either (A) to substitute for the Relevant Asset or the Relevant Assets, as the case may be, an equivalent value (as determined by the Calculation Agent in its sole and absolute discretion) of such other shares which the Calculation Agent determines, in its sole and absolute discretion, are freely tradeable (the "**Substitute Asset**" or the "**Substitute Assets**", as the case may be) or (B) not to deliver or procure the delivery of the Entitlement or the Substitute Asset or Substitute Assets, as the case may be, to the relevant Certificateholders, but in lieu thereof to make payment to the relevant Certificateholder on the Settlement Date of an amount equal to the fair market value as determined by the Calculation Agent (unless otherwise specified) (the "**fair market value**") of the Entitlement on the Valuation Date as determined by the Calculation Agent in its sole and absolute discretion by reference to such sources as it considers appropriate (the "**Alternate Cash Redemption Amount**"). Notification of any such election will be given to Certificateholders in accordance with Condition 19 (*Notices*) and in the event that the Issuer elects to pay the Alternate Cash Redemption Amount such notice shall give details of the manner in which such amount shall be paid.

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

(iv) *Rights of Certificateholders and Calculations*

None of the Issuer, the Guarantor (if applicable), the Trustee, the Calculation Agent, any Delivery Agent and the Agents shall have any responsibility for any errors or omissions in any calculation or determination in respect of the Certificates.

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

(c) *Currency unavailability*

This Condition shall apply when payment is due to be made in respect of any Certificate in the Specified Currency (other than where the Specified Currency is euro) and the Specified Currency is not available to the Issuer or the Guarantor (as applicable) due to the imposition of exchange controls, the Specified Currency's replacement or disuse or other circumstances beyond the control of the Issuer or the Guarantor (as applicable) ("**Currency Unavailability**"). In the event of Currency Unavailability, the Issuer or the Guarantor (as applicable) will be entitled to satisfy its obligations to the holder of such Certificate by making payment in euro on the basis of the spot

exchange rate at which the Specified Currency is offered in exchange for euro in an appropriate inter-bank market at noon, Paris time, four Business Days prior to the date on which payment is due or, if such spot exchange rate is not available on that date, as of the most recent prior practicable date. Any payment made in euro in accordance with this paragraph will not constitute an Event of Default.

7. Force Majeure

Save where a Force Majeure constitutes an Optional Additional Disruption Event and is specified as being applicable in the relevant Final Terms, if the Calculation Agent determines that by reason of force majeure or act of state occurring after the Trade Date it becomes impossible or impracticable for the Issuer to perform in whole or in part its obligations under the Certificates and/or any related hedging arrangements, the Issuer may cancel the Certificates by giving notice to Certificateholders in accordance with Condition 19.

If the Issuer cancels the Certificates then the Issuer will, if and to the extent possible or practicable, pay an amount (if any) to each Certificateholder in respect of each Certificate held by such Certificateholder, which amount shall be the fair market value (if any) of a Certificate taking into account such force majeure or act of state less the cost to the Swap Counterparty and/or its Affiliates of unwinding the relevant Swap Agreement any underlying related hedging arrangements all as determined by the Calculation Agent in its sole and absolute discretion. Any payment will be made in such manner as shall be notified to the Certificateholders in accordance with Condition 19.

8. Redemption, Purchases and Cancellation

(a) General

Unless previously redeemed or purchased and cancelled as specified below, each Certificate will be redeemed by the Issuer at its Cash Settlement Amount specified in, or determined in the manner specified in, the applicable Final Terms (or, in the case only of Physical Delivery Certificates to which Physical Settlement is applicable, where the applicable Final Terms specifies that such Certificates will be redeemed by payment and/or delivery of a physical delivery of the Entitlement, by the payment and the delivery of the Entitlement specified in, or determined in the manner specified in, the applicable Final Terms) in the relevant Specified Currency on the Redemption Date.

(b) Final Terms

The Final Terms applicable to the Certificates indicate either:

- (i) that the Certificates cannot be redeemed prior to their Redemption Date (except as otherwise provided in paragraphs (f), (k), (l) and (m) below and in Condition 12 (*Events of Default*)); or
- (ii) that such Certificates will be redeemable at the option of the Issuer and/or the Certificateholders prior to such Redemption Date in accordance with the provisions of paragraphs (c) and/or (d) below on the date or dates and at the amount or amounts indicated in the applicable Final Terms.

(c) Redemption at the Option of the Issuer

If the Issuer is specified in the applicable Final Terms as having an option to redeem, the Issuer may, having (unless otherwise specified in the applicable Final Terms) given not less than 15 nor more than 30 days' notice, in accordance with Condition 19 (*Notices*), to the Certificateholders (with a copy to the Trustee) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Certificates then outstanding on any Optional

Redemption Date(s) and at the Optional Redemption Amount(s) each as specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date(s). Any such redemption must be of a notional amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, both as indicated in the applicable Final Terms.

In the case of a partial redemption of Certificates, the Certificates to be redeemed will be selected individually by lot (in the case of Certificates represented by Certificates in definitive form) and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg in the case of Certificates represented by a global Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in notional amount, at their discretion) and in accordance with the rules of the relevant securities depository and any relevant provisions in the applicable Final Terms (in the case of Registered Certificates), in each case not more than 30 days prior to the date fixed for redemption (the "**Selection Date**"). In the case of Certificates represented by Certificates in definitive form, a list of the serial numbers of such Certificates will be published in accordance with Condition 19 (*Notices*) not less than 15 days prior to the date fixed for redemption. No exchange of the relevant global Certificate will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Certificateholders in accordance with Condition 19 (*Notices*) at least ten days prior to the Selection Date.

In respect of any Certificate, any notice given by the Issuer pursuant to this Condition 8(c) shall be void and of no effect in relation to that Certificate in the event that, prior to the giving of such notice by the Issuer, the holder of such Certificate had already delivered a Put Notice (as defined in Condition 8(d) (*Redemption at the Option of the Certificateholders*) below) in relation to that Certificate in accordance with Condition 8(d) (*Redemption at the Option of the Certificateholders*).

(d) *Redemption at the Option of the Certificateholders*

If the Certificateholders are specified in the applicable Final Terms as having an option to require the Issuer to redeem any Certificate, upon the holder of any Certificate giving to the Issuer in accordance with Condition 19 (*Notices*) not less than 15 nor more than 30 days' notice or such other period of notice as is specified in the applicable Final Terms the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Certificate on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to but excluding the Optional Redemption Date. It may be that before an option to require the Issuer to redeem any Certificate can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

To exercise the right to require redemption of a Certificate, the holder of such Certificate must, if the Certificate is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of the Registrar at any time during normal business hours of the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of the Registrar (a "**Put Notice**") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 8(d) and, in the case of Registered Certificates, the notional amount thereof to be redeemed and, if less than the full notional amount of the Registered Certificates so surrendered is to be redeemed, an address to which a new Registered Certificate in respect of the balance of such Registered Certificates is to be sent subject to and in accordance with the provisions of Condition 1 (*Type, title and transfer*). If this Certificate is in definitive form, the Put Notice must be accompanied by this Certificate or evidence satisfactory to the Registrar that this Certificate will, following delivery of the Put Notice,

be held to the order or under its control. If the Certificate is represented by a global Certificate or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of the Certificate the holder of the Certificate must, within the notice period, give notice to the Principal Warrant and Certificate Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Principal Warrant and Certificate Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if the Certificate is represented by a global Certificate, at the same time present or procure the presentation of the relevant global Certificate to the Principal Warrant and Certificate Agent for notation accordingly.

Any Put Notice given by a holder of any Certificate pursuant to this paragraph (d) shall be:

- (i) irrevocable except where prior to the due date of redemption an Event of Default has occurred and the Trustee has declared the Certificates to be due and payable pursuant to Condition 12 (*Events of Default*), in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph (d); and
- (ii) void and of no effect in relation to such Certificate in the event that, prior to the giving of such Put Notice by the relevant holder (A) such Certificate constituted a Redeemed Certificate, or (B) the Issuer had notified the Certificateholders of its intention to redeem all of the Certificates then outstanding, in each case pursuant to Condition 8(c) (*Redemption at the Option of the Issuer*).

(e) *Early Redemption Amounts*

For the purposes of paragraphs (f), (l) and (m) below and Condition 12 (*Events of Default*), the Final Terms may specify that the Certificates will be redeemed at the Early Redemption Amount calculated by the Calculation Agent in accordance with the following (or may specify an alternative calculation method):

- (i) in the case of Certificates with a Cash Settlement Amount equal to the Issue Price, at the Cash Settlement Amount thereof; or
- (ii) in the case of Certificates with a Cash Settlement Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Certificates are denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the Final Terms, at their notional amount; or
- (iii) in the case of Certificates to which Physical Settlement is applicable, as determined in the manner specified in the applicable Final Terms; or
- (iv) if Liquidation Proceeds is specified in the applicable Final Terms as the Early Redemption Amount, the Issuer shall appoint an agent to sell or otherwise realise the Charged Assets (the "**Disposal Agent**") which shall be the Calculation Agent (or such other party as may be agreed by the Issuer and the Trustee provided that, for the avoidance of doubt, the Disposal Agent may not be the Issuer) and the Early Redemption Amount in respect of each Certificate shall be the *pro rata* share of the Liquidation Proceeds. "**Liquidation Proceeds**" shall be an amount, subject to a maximum equal to the Liquidation Proceeds Cap, equal to the amounts received by or on behalf of the Issuer upon the sale or realisation of the Charged Assets (including, without limitation, any termination payment received by the Issuer under the relevant Swap Agreement and/or the amount received by the Issuer in respect of the Charged Assets on the redemption date, expiration date or other date for final payment in respect of the Charged Assets) after the deduction of any fees (including, without limitation, any legal fees), costs, expenses and taxes incurred by the

Disposal Agent (for itself and on behalf of the Issuer), in respect of the sale or realisation of the Charged Assets and the early redemption of the Certificates, any due and unpaid fees, costs and expenses of the Trustee and the Agents and any amounts due to be paid to the Swap Counterparty under the Swap Agreement. "**Liquidation Proceeds Cap**" means (A) in case of redemption of the Certificates as a result of an Early Redemption Event, the Cash Settlement Amount (calculated on the basis that any reference to the Redemption Date in relation to the determination thereof shall be deemed to be a reference to the Early Redemption Date) that would have been payable but for the occurrence of the Early Redemption Event; or (B) following a Certificate Acceleration, the Cash Settlement Amount (calculated on the basis that any reference to the Redemption Date in relation to the determination thereof shall be deemed to be a reference to the date on which notice of the Certificate Acceleration was given by the Trustee in accordance with Condition 12 (*Events of Default*)) that would have been payable but for the occurrence of the Event of Default. In respect of Certificates bearing interest, notwithstanding anything to the contrary herein, the Early Redemption Amount, as determined by the Calculation Agent in accordance with this Condition 8(e)(iv) shall include any accrued interest to (but excluding) the relevant early redemption date and apart from any such interest included in the Early Redemption Amount, no interest, accrued or otherwise, or any other amount whatsoever will be payable by the Issuer in respect of such redemption. Unless otherwise specified in the applicable Final Terms, the Early Redemption Amount will be "Liquidation Proceeds" as defined above.

(f) *Redemption following Swap Counterparty optional termination*

Where "**Swap Counterparty optional termination - Call option**" is specified as being applicable in the Final Terms:

- (i) within two Business Days of service by the Swap Counterparty of a notice that it has opted to terminate a Swap Agreement in whole or in part on the next following Interest Payment Date, the Issuer shall notify the relevant Certificateholders in accordance with Condition 19 (*Notices*) of the early redemption of the Certificates in whole or in part on such Interest Payment Date and, subject to the relevant provisions of Condition 8(l) (*Early Redemption Events*), shall redeem the relevant Certificates at their fair market value plus interest accrued thereon to such Interest Payment Date on such Interest Payment Date; or
- (ii) within two Business Days of service by the Swap Counterparty of a notice that it has opted to terminate a Swap Agreement on any other date (where it has such right as so specified in the Final Terms) nominated by the Swap Counterparty (the "**Nominated Termination Date**"), the Issuer shall notify the relevant Certificateholders in accordance with Condition 19 (*Notices*) of the early redemption of the Certificates on such Nominated Termination Date and subject to Condition 8(l) (*Early Redemption Events*) shall redeem the Certificates at their fair market value plus interest accrued thereon (if any) to such Nominated Termination Date on such Nominated Termination Date.

If any such redemption becomes due to be made by the Issuer in accordance with this Condition 8 and payment to the Certificateholders pursuant hereto is not made, the security constituted by the Trust Deed shall become enforceable and the Trustee may take such action as is provided in Condition 12 (*Events of Default*) or the Trust Deed.

(g) *Instalments*

If the Certificates are repayable in instalments, they will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (e) above.

(h) *Partly Paid Certificates*

Partly Paid Certificates will be redeemed, whether at maturity, early redemption or otherwise in accordance with the provisions of this Condition 8 as amended or varied by the information specified in the applicable Final Terms.

(i) *Purchases*

If the Issuer has satisfied the Trustee that it has made arrangements for the realisation of no more than the equivalent proportion of the Compartment Assets, for the repayment of no more than the equivalent proportion of any amount deposited under any Deposit Agreement, for the termination of no more than the equivalent proportion of any Swap Agreement and for the purchase of the Certificates, which transaction will leave the Issuer with no net liabilities in respect thereof, the Issuer may at any time purchase Certificates at any price in the open market or otherwise, in accordance with applicable laws and regulations. The Trustee will accept as evidence of the satisfaction of the criteria to such purchase a certificate (which it may rely on without further enquiry) of the Issuer confirming such arrangements and confirming that the remaining Charged Assets are sufficient to secure the Issuer's remaining obligations in respect of the remaining Certificates. If required by any applicable law or regulation, Certificates purchased by or on behalf of the Issuer will be surrendered for cancellation (within one Business Day of such purchase) by surrendering the certificate representing such Certificates to the Registrar.

In such circumstances:

- (A) the Issuer and the Secured Parties will be deemed to have consented to the release of the security in respect of that proportion of the Charged Assets that corresponds to the number of the Certificates so purchased;
- (B) unless an Event of Default or Potential Event of Default (as defined in the Trust Deed) has occurred and the Trustee has actual notice of such occurrence, such proportion of the Charged Assets shall be deemed to have been released from the security created under the Supplemental Trust Deed.

(j) *Cancellation*

All Certificates which are redeemed or purchased by the Issuer will forthwith be cancelled and may not be reissued or resold (including where, on an early termination of any Total Return Swap Agreement, in lieu of making a termination payment to the Issuer, the TRS Counterparty satisfied its obligations to pay such amount by delivery to the Issuer of a number of Certificates equal to the TRS Holding at the date on which the Total Return Swap Agreement terminated by no later than the next date on which the Issuer is due to make a payment under the Certificates). Upon such cancellation, in the case of Certificates which are admitted to trading on the regulated market of the Luxembourg Stock Exchange and listed on the Official List of the Luxembourg Stock Exchange, the Issuer will forthwith inform the Luxembourg Stock Exchange of such cancellation. All Certificates so cancelled and any Certificates purchased and cancelled pursuant to paragraph (i) above shall be forwarded to the Principal Warrant and Certificate Agent or, in the case of Registered Certificates, the Registrar, and cannot be reissued or resold.

"TRS Holding" means, at any time, the number of Certificates held by the TRS Counterparty or any Affiliate at such time, which are designated by the TRS Counterparty on the Issue Date as forming part of the TRS Holding ("**Designated Certificates**") and any other Certificates which the TRS Counterparty or any Affiliate subsequently purchases and notifies the Issuer and the Repo Counterparty (if any) that such Certificates shall form part of the TRS Holding ("**Notified TRS Certificates**") less any number of Certificates which were Notified TRS Certificates or Designated Certificates but which the TRS Counterparty or any Affiliate thereof sells to investors and notifies the Issuer and the Repo Counterparty (if any) that such Certificates shall no longer form part of the

TRS Holding. Upon delivery by the TRS Counterparty to the Issuer under the Total Return Swap Agreement of the Certificates forming the TRS Holding following termination of such Total Return Swap Agreement, the TRS Holding will be zero.

- (k) If the Certificates are Cash Settled Certificates and Exercise of Certificates is specified as applicable in the applicable Final Terms, the Certificates (such Certificates "**Exercisable Certificates**") will be automatically exercised on the Exercise Date, or, if Multiple Exercise is specified as applicable in the applicable Final Terms, each Exercise Date subject in the case of Credit Linked Certificates, to the provisions of Annex 9 (Additional Terms and Conditions for Credit Linked Securities). Upon automatic exercise each Certificate entitles its Certificateholder to receive from the Issuer the Cash Settlement Amount on the Exercise Settlement Date or, if Multiple Exercise is specified as applicable in the applicable Final Terms, the relevant Exercise Settlement Date.

"**Exercise Settlement Date**" means the date(s) specified as such in the applicable Final Terms.

(l) *Early Redemption Events*

The applicable Final Terms may specify that any of the following events applies. If any does so apply then in each case, in the event that the Calculation Agent notifies the Issuer and (if applicable) the Guarantor in writing (with a copy to the Trustee, on which notification the Trustee shall rely without further investigation or enquiry) that it has determined that one or more (as applicable) of the following events (each, an "**Early Redemption Event**") has occurred:

- (i) there is a payment default in respect of any of the Charged Assets (other than the relevant Swap Agreement) (an "**Asset Payment Default Event**");
- (ii) the issuer or primary obligor in respect of any of the Compartment Assets (each, a "**Compartment Assets Issuer**") or any guarantor of the Compartment Assets Issuer's obligations in respect of any Compartment Assets fails to perform or observe any of its other obligations under the relevant Compartment Assets and the failure continues after the expiration of any applicable grace period (an "**Asset Default Event**"); or
- (iii) any of the Compartment Assets is, for any reason, redeemed or otherwise terminated prior to its scheduled redemption or termination date (an "**Asset Redemption Event**"); or
- (iv) there is a payment default in respect of any of the Charged Assets (other than the relevant Swap Agreement) or the aggregate amount received by the Issuer in respect of the Charged Assets on the redemption date, expiration date or other date for final payment in respect of the Charged Assets is less than the aggregate of the Cash Settlement Amounts payable by the Issuer in respect of the Certificates (an "**Asset Payment Shortfall Event**"); or
- (v) on or after the Trade Date, (A) due to the adoption of any change in any applicable law or regulation (including, without limitation, any tax law) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority or brought in a court of competent jurisdiction), either (1) any amount is required to be deducted or withheld for or on account of any tax, levy, impost, duty, charge, assessment or fee of any nature imposed by any government or other taxing authority in respect of any payment to be received by the Issuer under one or more Compartment Assets or (2) the Issuer becomes obliged to pay any amount for or on account of any tax, levy, impost, duty, charge, assessment or fee of any nature imposed by any government or other taxing authority in respect of (I) any payment received by the Issuer under one or more Compartment Asset or (II) holding, acquiring or disposing of any Compartment Asset (a "**Compartment Tax Event**"); or

- (vi) the early termination of any Swap Agreement (or any other agreement specified as a Related Agreement in the Final Terms) entered into in respect of the Certificates other than where the Issuer is the Defaulting Party (as defined in the relevant Swap Agreement) thereunder and the relevant event of default relates to the insolvency of the Issuer or under the Certificates or due to the purchase by the Issuer of all the outstanding Certificates of a series (a "**Related Agreement Termination Event**");
- (vii) where an Annex to these Conditions is applicable, and/or in accordance with Condition 8(o)(B) below, the Calculation Agent notifies the Issuer that an event has occurred in respect of which the Calculation Agent in its sole and absolute discretion determines it is not possible to make an adjustment in respect of such event and that the Certificates should be redeemed early as contemplated in either (A) such Annex or (B) Condition 8(o)(B), as the case may be (an "**Annex Early Redemption Event**");
- (viii) on or after the Trade Date, (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any law or regulation in respect of tax, solvency or capital requirements), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing or financial authority), or the combined effect thereof if occurring more than once, the Issuer or the Calculation Agent determines in its sole and absolute discretion that it has become illegal for (1) the Issuer to perform its obligations in respect of any Certificates or the Swap Counterparty to perform its obligations in respect of any Swap Agreement, (2) for the Issuer to hold, acquire or dispose of relevant hedge positions relating to any Certificates or for the Swap Counterparty to hold, acquire or dispose of relevant hedge positions relating to any Swap Agreement save where such an event in (A) or (B) would constitute an Additional Disruption Event or an Optional Additional Disruption Event (in the case of Index Linked Certificates, Share Linked Certificates, Commodity Linked Certificates, Currency Linked Certificates or ETI Linked Certificates) or an Extraordinary Fund Event (in the case of Fund Linked Certificates) or an Extraordinary ETI Event (in the case of ETI Linked Certificates) or the Certificates are Inflation Index Linked Certificates, or (3) for the Issuer to hold, acquire or dispose of any Compartment Assets (a "**Compartment Change in Law Event**"); or
- (ix) such other circumstances set out in the applicable Final Terms (each an "**Additional Early Redemption Event**"),

the Issuer shall forthwith give not more than 30 nor less than 15 days' notice (which notice shall be irrevocable) to the Trustee and the Certificateholders pursuant to Condition 19 (*Notices*) prior to the specified date of redemption that it intends to redeem the Certificates in accordance with this Condition 8(l), and upon the expiry of such notice, the Issuer shall redeem all, but not some only, of the Certificates at their Early Redemption Amount, together, if appropriate, with accrued interest to (but excluding) the date of redemption specified in the relevant notice (the "**Early Redemption Date**"), provided that, where Redemption Date Extension applies as set out in Condition 8(n) (*Redemption Date Extension*), such redemption shall take place in accordance with Condition 8(n).

(m) *Redemption for taxation and other reasons*

- (i) If so specified in the Final Terms, then if the Issuer, on the occasion of the next payment due in respect of the Certificates, would be required by law to withhold or account for tax or would suffer tax in respect of its income or payments so that it would be unable to make payment of the full amount due, the Issuer shall so inform the Trustee and the Swap Counterparty in writing and shall use all reasonable endeavours to arrange the substitution of a company incorporated in another jurisdiction approved in writing by the Trustee and the Swap Counterparty as the principal obligor or to change (to the satisfaction of the

Trustee and the Swap Counterparty) its residence for taxation purposes to another jurisdiction approved in writing by the Trustee and the Swap Counterparty and, if it is unable to arrange such substitution or change before the next payment is due in respect of the Certificates, the Issuer shall forthwith give not more than 30 nor less than 15 days' notice (unless otherwise specified in the Final Terms) to the Trustee and the Certificateholders (which notice shall be irrevocable), and upon expiry of such notice shall redeem all but not some only of the Certificates at their Early Redemption Amount together with interest (if any) accrued to the date fixed for redemption. Such notice shall be given promptly upon the occurrence of any of the above events.

- (ii) Where this Condition 8(m) is specified as being applicable in the applicable Final Terms, if (x) a Swap Agreement is terminated in whole for any reason save for where Condition 8(f) (*Redemption following Swap Counterparty optional termination*) is applicable and the Swap Counterparty exercises its rights to terminate the Swap Agreement according to its terms or a Repurchase Agreement is terminated for any reason, or a Deposit Agreement is terminated for any reason in each case save where the Issuer has purchased all the Certificates pursuant to, and in accordance with, Condition 8(i) (*Purchases*); or (y) the Issuer satisfies the Trustee (by the provision of such certificates and opinions as the Trustee deems necessary) that the performance of its obligations under the Certificates or that any arrangements made to hedge its position under the Certificates have or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, then the Issuer shall forthwith give not more than 25 nor less than 10 days' notice (unless otherwise specified in the Final Terms) to the Trustee, the Certificateholders and the Swap Counterparty (which notice shall be irrevocable) and on the expiry of such notice shall redeem all but not some only of the Certificates at their Early Redemption Amount together with interest (if any) accrued to the date fixed for redemption. Such notice shall be given promptly upon the occurrence of either of the above events and such redemption made, unless the Trustee shall certify to the Issuer that it considers in its absolute discretion that it is in the interests of the holders of the Certificates that such notice and redemption be delayed or not given or made, as the case may be, or an Extraordinary Resolution of the holders of the Certificates shall otherwise direct.

(n) *Redemption Date Extension*

Where:

- (A) "**Redemption Date Extension**" is specified in the applicable Final Terms as being applicable on the Early Redemption Date (or on the Redemption Date if the Early Redemption Event occurs on such date); and/or
- (B) Swap Termination Without Redemption is specified in the applicable Final Terms as being applicable, a Swap Default has occurred and the Issuer has not received any Early Termination Amount (as defined in the Swap Agreement) due to it in the manner set out in Condition 9(k) (*Swap termination*) on or prior to the Redemption Date,

the terms of this Condition 8(n) shall apply as set out below, provided that, where sub-clause (B) applies and no Early Redemption Event has also occurred, the provisions of Conditions 8(n)(i), 8(n)(ii), 8(n)(vi) and 8(n)(vii) only shall apply.

- (i) Where the Issuer has not received in full the amount it is scheduled to receive on or prior to such date in respect of any of the Charged Assets relating to the relevant Certificates (such assets, the "**Non-Performing Assets**") it shall, on the Early Redemption Date or the Redemption Date, as the case may be, pay any amounts it has received in respect of the

Charged Assets *pro rata* to the Certificateholders (provided that all amount(s) which are to be deducted from such amounts in accordance with the definition of Liquidation Proceeds have been paid in full or, where a Swap Default has occurred and Swap Termination Without Redemption applies and no Early Redemption Event has also occurred, the amounts which are to be deducted as set out in Condition 9(k) (the "**Deduction Amounts**")) and redemption in full of the Certificates will be postponed until the date specified in the applicable Final Terms as the "Extended Redemption Date" (the "**Extended Redemption Date**"), provided that if during the Extension Period the Calculation Agent gives at least three Business Days' notice to the Issuer that the Calculation Agent, in its sole discretion, has determined that the Issuer will not receive any further amounts in respect of the Non-Performing Assets and that it will not be possible to realise any further amounts in respect of the Non-Performing Assets, the date on which such notice expires shall be deemed to be the actual Extended Redemption Date and no further amounts shall be paid by the Issuer in respect of the Certificates following such date.

- (ii) On each day in the Extension Period falling three Business Days after the receipt of any amounts by the Issuer in respect of any Non-Performing Asset, the Issuer shall procure that such amounts are paid *pro rata* to the Certificateholders as set out in Condition 8(n)(v) and provided that the Deduction Amounts have been paid in full.
- (iii) The Issuer shall appoint an agent (which may be the Swap Counterparty, provided the Swap Counterparty is not the obligor in respect of a relevant Non Performing Asset, or the Trustee or any other party which the Issuer may appoint with the consent of the Trustee) to assist it in recovering amounts in respect of the Non Performing Assets (a "**Realisation Agent**"). Any fees, costs and expenses charged and incurred by the relevant Realisation Agent will be deducted from the amounts available to pay Certificateholders or any other Secured Party which is entitled to such amounts.
- (iv) If "Sale of Assets" is specified in the applicable Final Terms and there is a Non-Performing Asset, the Issuer shall, at the request of the Calculation Agent, procure that any Non-Performing Asset and any other Charged Asset in respect of the relevant Compartment (or the Issuer's rights thereto) which the Issuer is requested by the Calculation Agent to sell shall be sold by the relevant Disposal Agent prior to the Extended Redemption Date and the proceeds from such sale (less any costs or expenses incurred in such sale) will be applied in accordance with the terms of this Condition 8(n) and, if the Calculation Agent determines, in its discretion acting reasonably, that such sale is not possible in respect of any Non-Performing Asset, it shall be deemed that the amount received in respect of such Non-Performing Asset is equal to zero.
- (v) The total amount received in respect of the Charged Assets in the period from, and including, the Redemption Date or the Early Redemption Date, as the case may be, to, but excluding, the Extended Redemption Date (the "**Extension Receipts**") shall be deemed to form part of the Liquidation Proceeds as set out in Condition 8(e) provided that, to the extent amounts are owed to Secured Parties other than the Certificateholders in respect of the relevant Series of Certificates, the Issuer shall apply the Extension Receipts in accordance with the applicable Order of Priority which would apply following a Certificate Acceleration in respect of the Certificates and any reference to amounts being paid to the Certificateholders in this Condition 8(n) shall be construed accordingly.
- (vi) No interest shall accrue on the Certificates for the period from, and including, the Redemption Date or the Early Redemption Date, as the case may be, to, and including, the Extended Redemption Date if redemption of the Certificates in whole or in part is postponed to the Extended Redemption Date in accordance with this Condition 8(n) unless specified otherwise in the applicable Final Terms.

- (vii) As used in this Condition 8(n), "**Extension Period**" means the period from, but excluding, the Redemption Date or the Early Redemption Date to, and including, the Extended Redemption Date.

(o) *Additional Disruption Events and Optional Additional Disruption Events*

In respect of Debt Linked Certificates any reference in this Condition 8(o) to "Share" and "Share Company" shall be deemed to be references to "Debt Instruments" and "Debt Instrument Issuer" respectively in respect of such Debt Linked Certificates.

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

"**Cancellation Event**" means, that in the determination of the Calculation Agent, all or some of the Debt Instruments are redeemed prior to their stated Redemption Date for any reason, and as a result thereof it is impossible, impracticable or unduly onerous for (i) the Issuer to hedge the Issuer's obligations in respect of the Certificates and/or (ii) the Swap Counterparty or its Affiliates to hedge the Swap Counterparty's obligations in respect of the Swap Agreement;

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

- (a) it has become illegal for the Issuer, the Swap Counterparty and/or any of the Swap Counterparty's Affiliates to hold, acquire or dispose of any relevant hedge position relating to an Index (in the case of Index Linked Certificates), any relevant hedge position relating to a Share (in the case of Share Linked Certificates), any relevant hedge position relating to an ETI (in the case of ETI Linked Certificates), any relevant hedge position relating to a Commodity or Commodity Index (in the case of Commodity Linked Certificates) or any relevant hedge position relating to a Fund Share (in the case of Fund Linked Certificates) (each a "**Hedge**"); or
- (b) the Swap Counterparty or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency or capital requirements) in performing its obligations in respect of the Swap Agreement or in holding, acquiring or disposing of any Hedge;

"**Currency Event**" means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or the Swap Counterparty or any of the Swap Counterparty's Affiliates (a) to convert the relevant currency ("**Local Currency**") in which the Index, the Shares or the Debt Instruments or any options or futures contracts or other hedging arrangement in relation to the Index, the Shares or the Debt Instruments (for the purposes of hedging the Issuer's obligations under the Certificates or the Swap Counterparty's obligations in respect of the Swap Agreement) are denominated, into the Settlement Currency, or exchange or repatriate any funds in the Local Currency or the Settlement Currency outside of the country in which the Index, the Shares or the Debt Instruments or any options or futures contracts in relation to the Index, the Shares or the Debt Instruments respectively are traded due to the adoption of, or any change in, any applicable law, rule, regulation, judgment, order, directive or decree of any Government

Authority or otherwise, or (b) for the Calculation Agent to determine a rate or (in the determination of the Calculation Agent) a commercially reasonable rate at which the Local Currency can be exchanged for the Settlement Currency for payment under the Certificates;

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

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

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

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

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

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

"Increased Cost of Hedging" means that the Swap Counterparty and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or options contract on any Commodity or, in the case of a Commodity Index, Index Component (in the case of Commodity Linked

Certificates) or, in respect of any Index Linked Certificates relating to a Custom Index, any relevant hedge positions relating to an Index, it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest risk) of the Swap Counterparty performing its obligations under the Swap Agreement entered into with respect to the Certificates, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) or any such futures or options contract(s) or, in respect of any Index Linked Certificates relating to a Custom Index, any relevant hedge positions relating to an Index, provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Swap Counterparty and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging;

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

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

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

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

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

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

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

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

- (B) If an Additional Disruption Event and/or an Optional Additional Disruption Event occurs (other than in respect of Failure to Deliver due to Illiquidity), the Calculation Agent may take the action described in (a) or, if applicable, (b), (c), (d) or (e) below, as the case may be, provided that where the circumstances giving rise to such Additional Disruption Event and/or Optional Additional Disruption Event result in a determination, adjustment or calculation being made in respect of the relevant Swap Agreement, the Calculation Agent shall, to the extent applicable, make the corresponding determination, adjustment or calculation in respect of the Certificates:
- (a) determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and/or Optional Additional Disruption Event and determine the effective date of that adjustment;
 - (b) unless Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event is specified in the applicable Final Terms, on giving notice to Certificateholders in accordance with Condition 19 of the Certificates (*Notices*), notify the Issuer and the Issuer shall redeem all but not some only of the Certificates, each Certificate being redeemed by payment of an amount equal to the fair market value of a Certificate taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less the cost to the Swap Counterparty and/or its Affiliates of unwinding any underlying related hedging arrangements (unless provided for otherwise in the applicable Final Terms), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Certificateholders in accordance with Condition 19 of the Certificates (*Notices*); or
 - (c) if Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event is specified as being applicable in the applicable Final Terms, calculate the fair market value of each Certificate, taking into account the Additional Disruption Event and/or Optional Additional Disruption Event, less the cost to the Swap Counterparty and/or its Affiliates of unwinding any underlying related hedging arrangements (the **"Calculated Additional Disruption Amount"**) as soon as practicable following the occurrence of the Additional Disruption Event and/or Optional Additional

Disruption Event (the "**Calculated Additional Disruption Amount Determination Date**") and on the Redemption Date the Issuer shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Additional Disruption Amount plus interest accrued from and including the Calculated Additional Disruption Amount Determination Date to but excluding the Redemption Date at a rate equal to (unless specified otherwise in the applicable Final Terms) zero per cent. or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, its notional amount; or

- (d) in the case of Index Linked Certificates linked to a Custom Index, use commercially reasonable efforts to select a successor index with a substantially similar formula for and method of calculation as the Custom Index within twenty (20) Scheduled Custom Index Business Days of the occurrence of the relevant Additional Disruption Event or Optional Additional Disruption Event and, upon selection of such successor index (the "**Successor Index**"), promptly notify the Issuer and the Issuer will give notice to the Certificateholders in accordance with Condition 19 of the Certificates (*Notices*) and such index shall become the Successor Index and deemed to be a "Custom Index" for the purposes of the Certificates and the Calculation Agent will make such adjustment, if any, to one or more of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for the substitution. Such substitution and any relevant adjustment to the Terms and Conditions and/or the applicable Final Terms will be deemed to be effective as of the date selected by the Calculation Agent in its sole and absolute discretion which may, but need not be the date on which the relevant Additional Disruption Event or Optional Additional Disruption Event occurred; or
- (e) in the case of Share Linked Certificates linked to a Basket of Shares, adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each a "**Substitute Share**") for each Share (each an "**Affected Share**") which is affected by the Additional Disruption Event and/or Optional Additional Disruption Event and the Substitute Share will be deemed to be a "Share" and the relevant issuer of such shares a "Basket Company" for the purposes of the Certificates, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Certificates are Physical Delivery Certificates) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Certificates was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

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

where:

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

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

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

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

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

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

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

If a Failure to Deliver due to Illiquidity occurs:

- (X) subject as provided elsewhere in the Terms and Conditions of the Certificates, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Redemption Date in accordance with Condition 6(b) (*Physical Delivery*); and
- (Y) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof, the Calculation Agent may, in its sole discretion, require that the Issuer satisfies its obligations in respect of the relevant Certificates by payment to the relevant Certificateholders of the Failure to Deliver Settlement Price on the fifth Business Day following the date that notice of such election is given to the Certificateholders in accordance with Condition 19 (*Notices*). Payment of the Failure to Deliver Redemption Amount will be made in such manner as shall be notified to the Certificateholders in accordance with Condition 19 (*Notices*).

For the purposes hereof:

"Failure to Deliver Redemption Amount" means, in respect of any relevant Certificate, the fair market value of such Certificate (taking into account the Relevant Assets comprising the Entitlement which have been duly delivered as provided above), less the cost to the Swap Counterparty and/or its Affiliates and/or the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion (or, whereas provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion).

- (C) Notwithstanding any other provision of these Conditions, in exercising its discretion in the manner set out in Condition 8(o)(B) above, the Calculation Agent shall, to the extent applicable to the relevant Certificates, take into account any corresponding or similar determination or selection or any other adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Additional Disruption Event or Optional Additional Disruption Event.
- (D) Upon the occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event, if the Calculation Agent determines that an adjustment in accordance with the above

provisions is necessary it shall notify the Issuer thereof as soon as practicable and the Issuer shall give notice as soon as practicable to the Certificateholders in accordance with Condition 19 (*Notices*) stating the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

- (E) In determining to take a particular action as a result of an Additional Disruption Event or Optional Additional Disruption Event, the Calculation Agent is under no duty to consider the interests of Certificateholders or any other person. In making any determination as to which action to take following the occurrence of an Additional Disruption Event or Optional Additional Disruption Event, none of the Calculation Agent, the Issuer or the Swap Counterparty shall be responsible for any loss (including liability in respect of interest), underperformance or opportunity cost suffered or incurred by Certificateholders or any other person in connection with the Certificates as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Certificates.

9. **Compartment Assets**

(a) *Compartment Assets*

- (i) In respect of any Series of Certificates, "**Compartment**" shall mean the compartment created by the Board of the Issuer pursuant to the Securitisation Act 2004 under which the Certificates are to be issued. Each Compartment will comprise a pool of Issuer assets and liabilities separate from the pools of Issuer assets and liabilities relating to any other Compartments. In respect of any Series of Certificates, such assets will consist of the Charged Assets (as defined in Condition 9(c) (*Compartment Security*) below), which Charged Assets may include, *inter alia*, the assets described in the applicable Final Terms as "Compartment Assets" (the "**Compartment Assets**").
- (ii) Subject to the Trust Deed (but without prejudice to the rights of the Issuer under Condition 8(n) (*Maturity Date Extension*)), in order to meet any part of its obligations under the Certificates in respect of (A) any redemption thereof, (B) any Related Agreements, (C) any agreements for the purchase of the Certificates or (D) any other payments (if any) due from the Issuer under these Conditions and/or the Trust Deed in relation to the Certificates), the Issuer may, at any time, procure the liquidation of some or all of the Compartment Assets.
- (iii) In accordance with the Securitisation Act 2004, the Charged Assets are available exclusively to satisfy the rights of the Secured Parties (as defined in Condition 9(e) (*Application of Proceeds*)).
- (iv) In connection with the issue of the Certificates there may be executed one or more interest rate and/or currency exchange agreements, credit default swap agreements, swap agreements exchanging payment flows on an asset, total return swap agreements, option agreements and/or other derivative transactions (each a "**Swap Agreement**") between the Issuer and one or more swap counterparties (each a "**Swap Counterparty**") and one or more deposit agreements (each a "**Deposit Agreement**") between the Issuer and one or more deposit counterparties (each a "**Deposit Counterparty**") and one or more repurchase agreements (each a "**Repurchase Agreement**") with BNP Paribas or any other entity as specified in the Final Terms (each a "**Repo Counterparty**" and, together with each Swap Counterparty and Deposit Counterparty, each a "**Counterparty**"). In addition, in connection with any issue of Certificates, the Issuer and the Swap Counterparty may enter into a credit support annex, credit support deed or pledge or such other security interest governed by the law of such other jurisdiction specified in the applicable Final Terms over collateral in favour of the Issuer in connection with any relevant Swap Agreement (a "**Credit Support Annex**", a "**Credit Support Deed**" and a "**Pledge**") respectively and,

together with the Swap Agreement, the Deposit Agreement and the Repurchase Agreement, the "**Related Agreements**").

- (v) Where no reference is made in the Supplemental Trust Deed to any Swap Agreement, Repurchase Agreement or Deposit Agreement, references in these Terms and Conditions to any such document or agreement and to any Swap Counterparty, Repo Counterparty or Counterparty, as the case may be, shall not be applicable.
- (b) *Custodian; Custody Account; Account Bank; Compartment Account*
 - (i) Each Custody Account (as defined below), together with such Compartment Assets as are capable of being so held, will be held by the Custodian on behalf of the Issuer, and each Compartment Account (as defined below) will be held by the Account Bank, in each case on and subject to (A) the terms and conditions of the Agency Agreement, (B) the Securitisation Act 2004 and (C) in the cases of the Compartment Assets, the Custody Account and the Compartment Account, the terms and conditions of the Compartment Security created pursuant to the Trust Deed and/or any Additional Security Document. Unless otherwise specified in the applicable Final Terms, the Issuer reserves the right to replace the Custodian at any time, but only with the prior written consent of the Trustee and in accordance with (x) the provisions of the Securitisation Act 2004 and (y) the relevant CSSF instructions and/or guidelines. Notice of such change shall be given to the Certificateholders in accordance with Condition 19 (*Notices*). If it is specified in the applicable Final Terms that there is a Sub-Custodian in relation to the Compartment Assets, such Sub-Custodian (which expression shall include any additional or successor sub-custodians from time to time appointed) shall hold such Compartment Assets as are capable of being so held on behalf of the Custodian, on and subject to the terms of an agreement between the Sub-Custodian and the Custodian. References herein to the "**Custodian**" shall, as the context requires, be construed as references to the Custodian, the Sub-Custodian and/or any additional or successor custodians appointed from time to time.
 - (ii) If the Charged Assets of the Issuer in respect of a Compartment include Compartment Assets, in respect of such Compartment the Custodian (on behalf of the Issuer) shall establish and maintain an account in the name of the Issuer (the "**Custody Account**") with a bank or other financial institution (which shall be the Custodian unless otherwise specified in the applicable Final Terms). The Custody Account for the Compartment shall be entirely separate from any other accounts of the Issuer and the Custodian, including, without limitation, the accounts established in connection with any other Compartment(s). Such Compartment Assets shall only be removed from the Custody Account at such times and in such amounts as are contemplated in these Terms and Conditions and the Trust Deed or in order for the Issuer (or any appointee on its behalf) and the Trustee (or any receiver) to fulfil their respective obligations under the Certificates and pursuant to the Trust Deed.
 - (iii) If the Charged Assets of the Issuer in respect of a Compartment include a Deposit Agreement, or otherwise if specified in the applicable Final Terms, in respect of such Compartment the Issuer shall establish and maintain an account in the name of the Issuer (the "**Compartment Account**") with a bank or other financial institution (which shall be the Account Bank unless otherwise specified in the applicable Final Terms). The Compartment Account for the Compartment shall be entirely separate from any other accounts of the Issuer and the Account Bank, including, without limitation, the accounts established in connection with any other Compartment(s). Amounts standing to the credit of the Compartment Account shall only be removed from the Compartment Account at such times and in such amounts as are contemplated in these Terms and Conditions and the Trust Deed or in order for the Issuer (or any appointee on its behalf) and the Trustee

(or any receiver) to fulfil their respective obligations under the Certificates and pursuant to the Trust Deed.

(c) *Compartment Security*

- (i) The Issuer has (as specified in the Supplemental Trust Deed relating to the Certificates or in another relevant security document relating to the Certificates), assigned or created a first fixed charge, and/or other security interest, in each case in favour of the Trustee for itself and as trustee for the Secured Parties, over or in respect of:
 - (A) the present and future Compartment Assets relating to the relevant Compartment and all of the Issuer's rights, title, interest and benefit, present and future, in respect of sums derived from the present and future Compartment Assets relating to the relevant Compartment (including, without limitation, any proceeds of the sale thereof);
 - (B) (x) the Issuer's rights, title, interest and benefit, present and future, in, to and under all sums held by the Agents, the Account Bank (including sums standing to the credit of the Compartment Account) and the Custodian to meet payments due in respect of the Certificates relating to the relevant Compartment (the "**Cash Assets**"); (y) any sums of money, securities or other property received or receivable by the Issuer under any Related Agreement (including, without limitation, any Swap Agreement, any Deposit Agreement and any Repurchase Agreement) relating to the relevant Compartment; and (z) all of the Issuer's rights, title, interest and benefit, present and future, as against the Custodian in respect of any sum standing to the credit of the Custody Account (as defined in Condition 9(b) relating to the relevant Compartment); and
 - (C) the Issuer's rights, title, interest and benefit, present and future, in, to and under any Transaction Document (including without limitation any Swap Agreement, any Deposit Agreement and any Repurchase Agreement) and any agreement for the sale, transfer and/or delivery of assets relating to the relevant Compartment (as contemplated under Condition 9(a) and any sums received or receivable by the Issuer under any such agreement.
- (ii) If it is stated in the applicable Final Terms that the security for the Certificates is "Charged Assets charged to Trustee; additional foreign law security", the Issuer has in the Supplemental Trust Deed created the security specified in sub-paragraph (i) above and has, in addition and without prejudice to the security specified as aforesaid, executed in favour of the Trustee the pledge or security or other agreement or document specified in the applicable Final Terms (each an "**Additional Security Document**").
- (iii) The security described in sub-paragraph (i) and, as the case may be, sub-paragraph (ii) shall be referred to herein as the "**Compartment Security**" and the assets described in sub-paragraph (i) and, as the case may be, sub-paragraph (ii) shall be referred to herein as the "**Charged Assets**".

(d) *General provisions relating to security*

Unless otherwise specified in the applicable Final Terms, the Compartment Security constituted or created pursuant to the Trust Deed and any Additional Security Document will be granted to the Trustee for itself and for the other Secured Parties (as defined in Condition 9(e) as continuing security for (i) the payment of all sums due to the Trustee or any appointee or any receiver under the Trust Deed and/or any Additional Security Document or due under the Certificates, (ii) the performance of the Issuer's obligations under any Related Agreement (including any Swap Agreement) and (iii) the payment of all sums payable to the Agents pursuant to any provision of

the Agency Agreement (including the provisions which require the Issuer to reimburse (and to pay interest on the amount reimbursed as provided in the Agency Agreement) to the Principal Warrant and Certificate Agent or the Registrar for any amount paid out by the Principal Warrant and Certificate Agent or the Registrar, as the case may be, to the Certificateholders before receipt of the corresponding amount due from the Issuer).

(e) *Application of Proceeds*

- (i) The Trustee shall (subject to the provisions of the Trust Deed) apply all moneys received by it under the provisions of the Trust Deed and any Additional Security Document in connection with the realisation or enforcement as described in Condition 14 of the Compartment Security constituted by or pursuant to the Trust Deed and any Additional Security Document in accordance with the Order of Priority specified in the applicable Final Terms (such amounts being the "**Available Enforcement Proceeds**").
- (ii) By subscribing to or otherwise acquiring the Certificates, each Certificateholder expressly consents to the provisions of this Condition 9(e), the order of priority specified in the applicable Final Terms (the "**Order of Priority**") and the limitation of its rights in accordance with article 64 of the Securitisation Act 2004 and is deemed to have accepted and agreed to such provisions and the consequences thereof. If no Order of Priority is specified in the applicable Final Terms, the Order of Priority shall be Swap Counterparty Priority as set out below.
- (iii) If:
 - (A) "**Swap Counterparty Priority**" is specified in the applicable Final Terms, Available Enforcement Proceeds shall be applied as follows (as amended if specified in the applicable Final Terms):
 - (1) first, the proceeds of realisation of the securities held in the Compartment Account will be applied to the extent required to meet any termination payment due to the Repo Counterparty under the Repurchase Agreement (if any);
 - (2) secondly, in payment or satisfaction of the Trustee's remuneration and the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in preparing and executing the trusts in the Trust Deed in relation to the Certificates (including, but not limited to, any taxes required to be paid and the costs of realising any security and payment of any indemnity claims of the Trustee);
 - (3) thirdly, in payment or satisfaction of each of the Agents' fees, costs, charges, expenses and liabilities incurred pursuant to the Agency Agreement;
 - (4) fourthly, rateably in meeting the claims (if any) of the Swap Counterparty under each Swap Agreement relating to the Certificates. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment;
 - (5) fifthly, rateably in meeting the claims (if any) of the Certificateholders. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment; and
 - (6) sixthly, in payment of the balance (if any) to the Issuer;

- (B) **"Pari Passu Ranking"** is specified in the applicable Final Terms, Available Enforcement Proceeds shall be applied as follows (as amended if specified in the applicable Final Terms):
- (1) first, the proceeds of realisation of the securities held in the Compartment Account will be applied to the extent required to meet any termination payment due to the Repo Counterparty under the Repurchase Agreement (if any);
 - (2) secondly, in payment or satisfaction of the Trustee's remuneration and the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in preparing and executing the trusts in the Trust Deed in relation to the Certificates (including, but not limited to, any taxes required to be paid and the costs of realising any security and payment of any indemnity claims of the Trustee);
 - (3) thirdly, in payment or satisfaction of each of the Agents' fees, costs, charges, expenses and liabilities incurred pursuant to the Agency Agreement;
 - (4) fourthly, rateably in meeting the claims (if any) of the Swap Counterparty under each Swap Agreement and the Certificateholders. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment; and
 - (5) fifthly, in payment of the balance (if any) to the Issuer; and
- (C) **"Certificateholder Priority"** is specified in the applicable Final Terms, Available Enforcement Proceeds shall be applied as follows (as amended if specified in the applicable Final Terms):
- (1) first, the proceeds of realisation of the securities held in the Compartment Account will be applied to the extent required to meet any termination payment due to the Repo Counterparty under the Repurchase Agreement (if any);
 - (2) secondly, in payment or satisfaction of the Trustee's remuneration and the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in preparing and executing the trusts in the Trust Deed in relation to the Certificates (including, but not limited to, any taxes required to be paid and the costs of realising any security and payment of any indemnity claims of the Trustee);
 - (3) thirdly, in payment or satisfaction of each of the Agents' fees, costs, charges, expenses and liabilities incurred pursuant to the Agency Agreement;
 - (4) fourthly, rateably in meeting the claims (if any) of the Certificateholders. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment;
 - (5) fifthly, rateably in meeting the claims (if any) of the Swap Counterparty under each Swap Agreement. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro*

rata on the basis of the amount due to each party entitled to such payment; and

- (6) sixthly, in payment of the balance (if any) to the Issuer.

"Secured Parties" means, unless otherwise specified in the applicable Final Terms, each of the Trustee, any receiver, the Certificateholders, the Swap Counterparty and the Agents (each, a **"Secured Party"**).

(f) *Compartment Assets substitution by Swap Counterparty*

Where this Condition 9(f) is specified as being applicable in the Final Terms then the Compartment Assets may be substituted in whole or in part by the Swap Counterparty.

The Swap Counterparty may substitute the Compartment Assets for:

- (i) either securities denominated in the currency specified in the Final Terms issued by the entity specified as the eligible collateral issuer (each, an **"Eligible Compartment Assets Issuer"**) in the Final Terms (**"Eligible Compartment Assets Issuer Obligations"**); or
- (ii) such other securities, obligations or an amount of cash in the currency in which the principal amount of the existing Compartment Assets is expressed to be payable where **"Alternative Substitution"** is specified in the Final Terms.

The new securities, obligations or cash to be substituted must be in a principal amount equal (or, if in another currency, the equivalent to the principal amount of the currency in which the Compartment Assets are expressed to be payable, as determined on the date of such substitution by the Swap Counterparty in its sole discretion) to (unless otherwise specified in the applicable Final Terms) the then fair market value of the Certificates as determined by the Swap Counterparty (or, in the case of a substitution or redemption of part only of the Compartment Assets, of the relevant proportion thereof as at the date of such substitution).

The securities, obligations or cash which may be substituted for the Compartment Assets shall be delivered (or paid, in the case of cash) by the Swap Counterparty to the Custodian or, if so specified in the applicable Final Terms, the Counterparty.

By making any substitution pursuant to this Condition 9(f) the Swap Counterparty shall be deemed to agree with the Issuer and the Trustee that its obligations under the relevant Swap Agreement shall continue in full force and effect irrespective of such substitution and that no termination or adjustment to its obligations thereunder shall occur as a consequence of such substitution.

The Trustee shall, upon notice from the Swap Counterparty (upon which the Trustee may rely without further enquiry) that the conditions for substitution referred to in this Condition 9(f) are met, release the Compartment Assets to be substituted from the security created in respect of it under the Trust Deed. The Issuer, the Trustee and the Swap Counterparty will upon such substitution enter into such further documentation as may be required (if at all) by any applicable law and/or as may be required by the Trustee to give effect to the creation of security over any replacement securities, obligations or cash amounts in the manner set out in this Condition 9(f).

References in these Conditions and the Trust Deed to **"Compartment Assets"** shall be deemed to include any substituted Compartment Assets and references to **"Charged Assets"** shall be deemed to include any additional assets or rights charged or assigned in favour of the Trustee pursuant to such substitution.

If specified in the Final Terms, the Issuer shall give notice of any substitution to Certificateholders under this Condition 9(f) in accordance with Condition 19 (*Notices*) and, in relation to any Certificates listed on the Luxembourg Stock Exchange, to the Luxembourg Stock Exchange (or if

listed on another stock exchange to such other stock exchange) and will, if required by the rules of the Luxembourg Stock Exchange (or of such other stock exchange), prepare a supplemental prospectus or such other documents as may be required.

If this Condition 9(f) is applicable, the Trustee and any Certificateholders may at any time require the Issuer to notify them of the composition of the Compartment Assets at such time.

The Swap Counterparty may substitute the Compartment Assets in accordance with this Condition 9(f) without regard to the projected market value of substitute securities or obligations. There is no guarantee that the value of such Compartment Assets in the event of termination of the relevant Swap Agreement, taking into account any termination payment due under such Swap Agreement to or from the Swap Counterparty, will equal or exceed the Cash Settlement Amount (if any) for each Certificate.

(g) *Compartment Assets substitution under a Credit Support Annex, Credit Support Deed or Pledge*

Where the Issuer and the Swap Counterparty have entered into a Credit Support Annex in respect of any Swap Agreement, then the Compartment Assets may be substituted in whole or in part by the Swap Counterparty in accordance with the terms of the Credit Support Annex.

The securities, obligations or cash which may be substituted for the Compartment Assets shall be delivered (or paid, in the case of cash) by the Swap Counterparty to the Custodian (or, where an alternative bank or institution is specified as custodian for the Collateral in the applicable Final Terms, to such entity).

By making any substitution pursuant to this Condition 9(g), the Swap Counterparty shall be deemed to agree with the Issuer and the Trustee that its obligations under the relevant Swap Agreement shall continue in full force and effect irrespective of such substitution and that no termination or adjustment to its obligations thereunder shall occur as a consequence of such substitution.

In the case of Compartment Assets substitution under a Credit Support Annex, the Trustee shall, upon notice from the Swap Counterparty (upon which the Trustee may rely without further enquiry) that the conditions for substitution referred to in this Condition 9(g) are met, release the Compartment Assets to be substituted from the security created in respect of it under the Trust Deed. The Issuer, the Trustee and the Swap Counterparty will upon such substitution enter into such further documentation as may be required (if at all) by any applicable law and/or as may be required by the Trustee to give effect to the creation of security over any replacement securities, obligations or cash amounts in the manner set out in this Condition 9(g).

After any substitution, references in these Conditions and the Trust Deed to "**Compartment Assets**" shall be deemed to include any Compartment Assets substituted and references to "**Charged Assets**" shall be deemed to include any additional assets or rights charged or assigned in favour of the Trustee pursuant to such substitution.

Where substitution of the Compartment Assets takes place in accordance with the terms of any credit support annex, the Issuer shall not be obliged to give notice of any substitution to Certificateholders under this Condition 9(g).

If this Condition 9(g) is applicable, the Trustee may at any time require the Issuer to notify it of the composition of the Compartment Assets at such time.

Where the Issuer and the Swap Counterparty have entered into a Credit Support Deed in respect of any Swap Agreement, the collateral secured under the relevant Credit Support Deed may be substituted in whole or in part by the Swap Counterparty in accordance with the terms of the relevant Credit Support Deed.

Where the Issuer and the Swap Counterparty have entered into a Pledge in respect of any Swap Agreement, the assets that are subject to the relevant Pledge may be substituted in whole or in part by the Swap Counterparty in accordance with the terms of the relevant Pledge.

The Swap Counterparty may substitute the Compartment Assets in accordance with this Condition 9(g) without regard to the projected market value of substitute securities or obligations. There is no guarantee that the value of such Compartment Assets in the event of termination of the relevant Swap Agreement, taking into account any termination payment due under such Swap Agreement to or from the Swap Counterparty, will equal or exceed the Cash Settlement Amount (if any) for each Certificate.

(h) *Swap Counterparty optional termination*

Where this Condition 9(h) is specified as being applicable in the Final Terms, the Swap Counterparty may (unless it is the Defaulting Party under, and as defined in, the relevant Swap Agreement) opt to terminate a Swap Agreement in whole or in part in accordance with either or both of the methods set out below (as specified in the Final Terms).

(i) *Redemption following Swap Counterparty optional termination*

Where "**Swap Counterparty optional termination - Call option**" is specified as being applicable in the Final Terms, the following will apply:

The Swap Counterparty may opt to terminate a Swap Agreement in whole or in part on either on any date specified as being applicable in the Final Terms upon the number of Business Days notice specified as being applicable in the Final Terms.

Such optional termination will lead to early redemption in whole or in part, as the case may be, of the Certificates in the manner set out in this Condition 8(f) or in such other manner as may be specified in the Final Terms.

(ii) *Repurchase:*

Where this Condition 9(h)(ii) is specified as being applicable in the Final Terms, the Swap Counterparty may opt to terminate a Swap Agreement upon service of written notice on the Issuer with a copy to the Trustee, in whole or in part and without payment by either party, if any of the Certificates to which that transaction relates are purchased by or on behalf of the Swap Counterparty or any of its subsidiaries or affiliates ("**Purchased Certificates**"). Where such option is exercised, such Swap Agreement will terminate *pro rata* in the proportion (the "**Proportion**") that the aggregate notional amount of the Purchased Certificates bears to the aggregate notional amount of the Certificates remaining outstanding (or, where applicable, unexercised) immediately prior to the purchase of the Purchased Certificates by the Swap Counterparty or any of its subsidiaries or affiliates. Upon service of such notice, the Swap Counterparty will be either (A) authorised by the Issuer to take delivery of and/or deliver and/or realise on the Issuer's behalf the Proportion of the Charged Assets (if any) charged to or otherwise secured in favour of the Trustee under the Trust Deed or (B) entitled to payment of an amount equal to the Proportion of the Charged Assets where the Charged Assets is constituted by cash ("**Realised Collateral**"). The Realised Collateral will be payable or deliverable, as the case may be, by the Issuer to or to the order of the Swap Counterparty, in the contractual currency paid by the Issuer under the relevant Swap Agreement (where the Realised Collateral is not being delivered). Upon receipt of the Realised Collateral, the Swap Counterparty will deliver to the Principal Warrant and Certificate Agent the Purchased Certificates for cancellation. In such circumstances:

- (1) the Issuer will be deemed to have consented to the Trustee releasing the Realised Collateral to the Swap Counterparty upon termination of the relevant Swap Agreement in the manner described in this Condition 9(h);
- (2) where relevant, the Swap Counterparty, on behalf of the Issuer, will be deemed to be authorised by the Issuer to realise the Proportion of the Charged Assets; and
- (3) the Trustee will, unless an Event of Default or a Potential Event of Default (as defined in the Trust Deed) has occurred, be deemed to release the Realised Collateral from the security created in respect of it under the Supplemental Trust Deed.

(i) *Residual Shortfall*

In the case of Certificates (but without prejudice to the rights of a holder of Guaranteed Certificates under the Guarantee (if applicable)), if the net proceeds of the realisation or enforcement of the Charged Assets created pursuant to the Trust Deed and/or any Additional Security Document in respect of the Charged Assets following payment of all prior ranking amounts (the "**Net Proceeds**") are not sufficient to make all payments due in respect of such Certificates, then:

- (i) the obligations of the Issuer in respect of such Certificates will be limited to such Net Proceeds and neither the Trustee nor any Secured Party nor anyone acting on behalf of any Secured Party shall have any claim in respect of any asset of the Issuer not forming part of the Charged Assets; and
- (ii) the Issuer will not be obliged to make any further payment in excess of the Net Proceeds and any Certificateholder's right to receive any further sums in respect of any Residual Shortfall shall be extinguished in full, and neither the Trustee nor any Secured Party nor anyone acting on behalf of any Secured Party shall be entitled to take any further steps against the Issuer or the Trustee to recover any such Residual Shortfall.

No Secured Party nor any party to the Trust Deed shall be entitled to petition or take any other step for the winding-up of the Issuer (including, without limitation, the opening of any bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (*insolvabilité liquidation volontaire ou judiciaire*), composition with creditors (*concordat préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), fraudulent conveyance (*actio pauliana*), general settlement with creditors or reorganisation proceedings or similar proceedings affecting the rights of creditors generally) or the appointment of an examiner in respect of the Issuer (including, without limitation, the appointment of any receiver (*curateur*) (except any receiver appointed by the Trustee pursuant to the Trust Deed), liquidator (*liquidateur*), auditor (*commissaire*), verifier (*expert-vérificateur*), *juge délégué* or *juge commissaire*). Failure by the Issuer to make any payment in respect of any Residual Shortfall shall in no circumstances constitute an Event of Default under Condition 12.

In this Condition, "**Residual Shortfall**" means the difference, if any, between the Net Proceeds and the aggregate amount which would have been due under the Certificates but for the operation of this Condition 9(i).

(j) *Issuer's rights as holder of Compartment Assets*

Unless otherwise specified in the applicable Final Terms, the Issuer may exercise any rights in its capacity as holder of the Compartment Assets (including, without limitation, a right to vote or any analogous right howsoever described) only with the consent of the Trustee (or as directed in writing by the respective holders of at least 25 per cent. (by number) of the Certificates then outstanding or as directed by an Extraordinary Resolution of the Certificateholders) and (except in relation to the Swap Agreement) the Swap Counterparty and, if such direction is given, the Issuer will act in accordance with such directions, unless such instructions are in the reasonable opinion

of the Issuer contrary to applicable laws, regulations and/or circular letters issued by the Issuer's supervisory authority or materially detrimental to the interests of the Issuer. In particular, the Issuer will not, unless otherwise stated in the applicable Final Terms, attend or vote at any meeting of holders of the Compartment Assets, or give any consent or notification or make any declaration in relation to the Compartment Assets, save with the consent of the Trustee (or as directed in writing by the respective holders of at least 25 per cent. (by number) of Certificates then outstanding or as directed by an Extraordinary Resolution of each of the Certificateholders) and the Swap Counterparty. In the event of a conflict between the instructions of the Trustee (or the Certificateholders) and the Swap Counterparty, the instructions of the Instructing Party will prevail.

(k) *Swap termination*

Notwithstanding the terms of Condition 9(j) (Issuer's rights as holder of Compartment Assets), where "**Swap Termination Without Redemption**" is specified as applicable in the applicable Final Terms and where an Event of Default (as defined in the Swap Agreement) occurs under the Swap Agreement in circumstances where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) and Related Agreement Termination Event is stated as not applicable in the applicable Final Terms, following notification of such Event of Default by the Issuer to the Trustee (a "**Swap Default**"), the Trustee shall promptly, and in any event not later than five Business Days after such notification, instruct the Issuer to deliver, in respect of the Swap Agreement (where such agreement is constituted by a 2002 Master Agreement published by the International Swaps and Derivatives Association, Inc. (the "**Master Agreement**") and schedule thereto and any confirmations thereunder), a notice under Section 6(a) of the Master Agreement designating an Early Termination Date (as defined in the Swap Agreement). In such circumstances, the Issuer (with the consent of the Trustee) may appoint an agent (a "**Termination Agent**") to assist it in terminating the Swap Agreement and making any calculations necessary in connection with such termination. A *pro rata* share of the amount, if any, equal to the Early Termination Amount (as defined in the Swap Agreement) received by the Issuer under the Swap Agreement less the costs and expenses of the Trustee and any costs and expenses of the Termination Agent incurred in connection with such termination shall be paid by the Issuer to each Certificateholder in the manner set out in the applicable Final Terms.

In these Conditions "**Instructing Party**" means, if "Swap Counterparty Priority" applies, the Swap Counterparty (except in relation to the Swap Agreement, or where it is the Defaulting Party under, and as defined in, the relevant Swap Agreement, in which case the Instructing Party will be the Certificateholders) and if either "Certificateholder Priority" or "Pari-Passu Ranking" applies, the Certificateholders.

10. **Expenses and Taxation**

All payments in respect of the Certificates or under the Guarantee shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax authority, unless such withholding or deduction is required by law, including, without limitation, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto, in which case the Issuer or, as the case may be, the Guarantor shall make all payments net of such withholding or deduction. Such withholding or deduction shall not constitute an Event of Default under Condition 12.

In respect of Exercisable Certificates only, all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax,

issue, registration, securities transfer and/or other taxes or duties arising from the exercise and settlement of such Certificates and/or the delivery or transfer of the Entitlement (as applicable) pursuant to the terms of such Certificates ("**Exercise Expenses**") relating to such Certificates shall be for the account of the Certificateholder. The Issuer shall deduct from amounts payable or from assets deliverable to Certificateholders all Related Expenses, not previously deducted from amounts paid or assets delivered to Certificateholders, as the Calculation Agent shall in its sole and absolute discretion determine are attributable to the Certificates. Such deduction by the Issuer shall not constitute an Event of Default under Condition 12.

For the avoidance of doubt, neither the Issuer, the Trustee nor the Guarantor (if applicable) shall be liable for any Related Expenses and Certificateholders shall be liable to pay the Related Expenses attributable to their Certificates.

"Expenses" means Exercise Expenses and any Related Expenses.

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

- (i) the issue, transfer or enforcement of the Certificates;
- (ii) any payment (or delivery of assets) to Certificateholders;
- (iii) a person or its agent's assets or any rights, distributions of dividends appertaining to such assets (has such an investor (or agent) purchased, owned, held, realised, sold or otherwise disposed of assets) in such a number as the Calculation Agent, in its sole and absolute discretion, may determine to be appropriate as a hedge or related trading position in connection with the Certificates; or
- (iv) any of the Swap Counterparty's or any Affiliate of the Swap Counterparty other hedging arrangements in connection with the Certificates.

"Relevant Date" in respect of any Certificate means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or, in the case of materialised Certificates (if earlier) the date seven days after that on which notice is duly given to the Certificateholders that, upon further presentation of the Certificate, being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

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

11. **Prescription**

Claims against the Issuer or the Guarantor (if applicable) for payment of Cash Settlement Amounts, interest and/or Premium Amount in respect of the Certificates shall become void unless made within 5 years after the Relevant Date (as defined in Condition 10) and no claims shall be made after such date, except as provided in the applicable Final Terms.

12. **Events of Default**

- (a) The Trustee at its discretion may (subject as provided in sub-paragraph (b) below), and if so requested in writing by the holders of at least 25 per cent. (by number) of the Certificates of any Series then outstanding, or if so directed by an Extraordinary Resolution of such holders, shall, subject in each case to being indemnified and/or secured to its satisfaction, give notice to the Issuer and the Guarantor (if applicable) that the Certificateholders are, and they shall accordingly forthwith become, (unless otherwise specified in the Final Terms) entitled to the Liquidation Proceeds (such occurrence, a "**Certificate Acceleration**") upon the occurrence of any of the following events (each an "**Event of Default**"):
- (i) a default is made for a period of 30 days or more in the payment of any sum due or the delivery of the Entitlement deliverable in respect of the Certificates; or
 - (ii) the Issuer fails to perform or observe any of its other obligations under the Certificates or the Trust Deed and (unless such failure is, in the opinion of the Trustee, incapable of remedy in which case no such notice as is referred to in this paragraph shall be required) such failure continues for a period of 45 days (or such longer period as the Trustee may permit) following the service by the Trustee on the Issuer of notice requiring the same to be remedied (and for these purposes, a failure to perform or observe an obligation shall be deemed to be remediable notwithstanding that the failure results from not doing an act or thing by a particular time); or
 - (iii) any order is made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer (including, without limitation, the opening of any bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (*insolvabilité, liquidation volontaire ou judiciaire*), composition with creditors (*concordat préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), fraudulent conveyance (*actio pauliana*), general settlement with creditors or reorganisation proceedings or similar proceedings affecting the rights of creditors generally) or the appointment of a receiver of the Issuer (including, without limitation, the appointment of any receiver (*curateur*), liquidator (*liquidateur*), auditor (*commissaire*), verifier (*expert-vérificateur*), (*juge délégué* or *juge commissaire*) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Certificateholders; or
 - (iv) in the case of Guaranteed Certificates, the Guarantee ceases to be in full force and effect in respect of the Certificates or notice is given by the Guarantor which would cause the Guarantee to cease to be in full force and effect in respect of such Certificates or is rendered void for any cause or by any means whatsoever or any legislation is introduced the result of which would be to remove the benefit of the Guarantee from the Certificates or terminate or amend the same in a manner (in the opinion of the Trustee) materially adverse to the interests of the Certificateholders, or the Guarantor is unable to perform its obligations thereunder for any reason.
- (b) The Trust Deed provides that the Trustee shall not be under any obligation to monitor whether or not an Event of Default or a Potential Event of Default (as defined in the Trust Deed) has occurred or is continuing.

13. Definitions

In these Conditions:

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

"Business Day" means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and
- (b) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (any such centre, an **"Additional Business Centre"** and which, if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (ii) in relation to any sum payable in euro, a day (a **"TARGET Settlement Day"**) on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (**"TARGET2"**) payment system which utilises a single platform and which was launched on 19 November 2007 (or, if such system ceases to be operative, such system (if any) determined by the Calculation Agent to be a suitable replacement) (the **"TARGET System"**) is open.

"fair market value" means the fair market value as determined by the Calculation Agent (unless otherwise specified).

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

"Relevant Asset" means the Relevant Asset specified in the applicable Final Terms.

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

14. Enforcement and Realisation

Unless otherwise specified in the applicable Final Terms, upon the occurrence of a Certificate Acceleration under Condition 12, the Compartment Security constituted by or created pursuant to the Supplemental Trust Deed and any Additional Security Document relating to a Series of Certificates and the Compartment to which such Series relates, shall become enforceable. The Trustee may enforce the Compartment Security at any time after it has become enforceable but is only obliged to enforce the Compartment Security if directed to do so by (a) (where the Instructing Party is the Certificateholder) either a direction in writing by Certificateholders of at least 25 per cent. (by number) of the relevant Series of Certificates then outstanding or by an Extraordinary Resolution of the Certificateholders; or (b) (where the Instructing Party is the Swap Counterparty) a written direction of the Swap Counterparty. The Trustee or any appointee or receiver appointed thereby may enforce the security by one or more of the following:

- (i) endeavouring to sell or otherwise realise the Charged Assets (including, without limitation, by terminating, closing out or enforcing any Related Agreement or other

agreement entered into by the Issuer, the rights of the Issuer in respect of which form part of the Charged Assets) in accordance with the provisions of the Trust Deed; and/or

- (ii) otherwise enforcing the Compartment Security constituted by or pursuant to the Trust Deed and/or any Additional Security Document, in each case, without any liability as to the consequences of any such action and without having regard to the effect of any such action on individual Certificateholders,

provided that the Trustee shall not be required to take any such action without first being indemnified and/or secured to its satisfaction or to do anything which is or may be contrary to any applicable law or regulation.

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Secured Parties.

15. Meetings of the Certificateholders; Modifications; Waiver; Trustee Determination; Substitution; Entitlement of the Trustee

(a) Meetings of the Certificateholders

The Trust Deed contains provisions for convening meetings of Certificateholders of each Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Certificates (including these Conditions or the provisions of the Trust Deed insofar as the same may apply to such Certificates). The quorum at a meeting of the Certificateholders (except for the purpose of passing an Extraordinary Resolution) will be two or more persons holding or representing not less than 20 per cent. (by number) of the Certificates for the time being outstanding, or at any adjourned meeting two or more persons being or representing Certificateholders whatever the number of Certificates so held or represented. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 50 per cent. (by number) of the Certificates for the time being outstanding or, at any adjourned such meeting, two or more person holding or representing not less than 10 per cent. (by number) of the Certificates for the time being outstanding. A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three fourths of the votes cast by the Certificateholders at such meeting who, being entitled to do so, vote in person or by proxy. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Certificateholders, whether present or not, except that any Extraordinary Resolution proposed to address a Reserved Matter (as defined in the Trust Deed), including (i) to amend the dates redemption of the Certificates, any Instalment Date or any date for payment of interest thereof, (ii) to change the notional amount or any Instalment Amount of, or any premium payable on redemption of, the Certificates, (iii) to change the rate or rates of interest in respect of the Certificates or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating the Interest Amount in respect thereof, (iv) if a Minimum and/or a Maximum Interest Rate, Instalment Amount or Final or Early Redemption Amount is shown in the applicable Final Terms, to change any such Minimum and/or Maximum Interest Rate, Instalment Amount, Cash Settlement Amount or Early Redemption Amount, (v) to change any method of calculating the Final or Early Redemption Amount, (vi) to change the currency or currencies of payment or denomination of the Certificates, (vii) to direct the Trustee to take any steps as specified in the Trust Deed and/or Condition 12 (*Events of Default*), (viii) to modify the provisions concerning the quorum required at any meeting of Certificateholders or the majority required to pass an Extraordinary Resolution or (ix) to modify the definition of Reserved Matter in the Trust Deed, will only be binding if passed at a meeting of the Certificateholders, the quorum at which shall be persons holding or representing not less than 75 per cent. (by number) of the Certificates for the time being outstanding or, at any adjourned meeting, not less than 25 per cent. (by number) of the Certificates for the time being outstanding.

The holder of a Global Certificate representing all (or part) of the Certificates for the time being outstanding will be treated as being two persons for the purposes of such quorum requirements. A resolution in writing signed by or on behalf of the holders of not less than 90 per cent. (including in the case of a resolution proposed to address a Reserved Matter (as defined in the Trust Deed)) (by number) of the Certificates of such Series for the time being outstanding shall for all purposes be as valid and effectual as an Extraordinary Resolution passed at a meeting of the Certificateholders.

The provisions of articles 86 to 97 of the Luxembourg Act dated 10th August, 1915 on commercial companies, as amended, shall not apply to the Certificates.

(b) *Modification*

The Trustee may, in respect of each Series, without the consent of the Certificateholders, agree to (i) any modification to any Transaction Document or any other agreement to which the Issuer is a party which is of a formal, minor or technical nature or is made to correct a manifest error; (ii) any modification of any of the provisions of the Trust Deed or any other Transaction Document (other than in respect of a Reserved Matter) which in the opinion of the Trustee is not materially prejudicial to the interests of the Certificateholders; and (iii) any modification of the provisions of the Trust Deed or any other Transaction Document (other than in respect of a Reserved Matter) which is made to satisfy any requirement of any stock exchange on which the Certificates are or are proposed to be listed and which, in each case, is not in the opinion of the Trustee materially prejudicial to the interests of the Certificateholders.

Notice of such modification shall be notified by the Issuer to the Certificateholders as soon as practicable thereafter in accordance with Condition 19 unless the Trustee agrees otherwise.

(c) *Waiver*

The Trustee may, in respect of any Series, without the consent of the Certificateholders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time, but only if and in so far as in its opinion the interests of the Certificateholders shall not be materially prejudiced thereby, waive or authorise, on such terms and conditions as to it shall seem expedient, any breach or proposed breach by the Issuer or (if applicable) the Guarantor of any of the covenants or provisions in the Trust Deed or the Conditions or determine that any Event of Default or Potential Event of Default shall not be treated as such provided always that the Trustee shall not exercise any powers conferred on it by this Condition 15(c) in respect of any Reserved Matter or in contravention of any express direction given by an Extraordinary Resolution of the Certificateholders, but no such direction shall affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination shall be binding on the Certificateholders of such Series.

Notice of any such waiver, authorisation or determination shall be notified by the Issuer to the Certificateholders as soon as practicable thereafter in accordance with Condition 19 unless the Trustee agrees otherwise.

(d) *Trustee determination*

If, in the opinion of the Trustee, any modification, waiver, authorisation or determination referred to in paragraphs (b)(ii) or (iii) and (c) of this Condition 15 affects the interests of the holders of any Series of Certificates, the Trustee shall agree to such modification, waiver, authorisation or determination only if either (i) it is satisfied that, in its opinion, the interests of the holders of the relevant Series of Certificates will not be materially prejudiced thereby or (ii) the holders of the relevant Series of Certificates sanction such modification, waiver, authorisation or determination by way of Extraordinary Resolution, each of (i) and (ii) in accordance with the Conditions of the relevant Series of Certificates.

(e) *Substitution*

The Trust Deed contains provisions permitting the Trustee, subject to the further conditions set out in the Trust Deed and such amendment of the Trust Deed and other conditions as the Trustee may require, but without the consent of the holders of the relevant Series of Certificates, to agree with the Issuer and the Guarantor (if applicable) to the substitution, in respect of any Series of Certificates, in place of the Issuer (or of the previous substitute), as the principal debtor under the Certificates of such Series, or, when applicable, the Guarantor, as guarantor of the payment obligations of the Issuer under the relevant Series of Certificates, of any other company (such substituted company being hereinafter called the "**Substitute Company**").

Not later than 14 days after the execution of such amendment and compliance with such conditions as aforesaid, the Substitute Company shall give notice thereof in a form previously approved by the Trustee to the relevant Certificateholders in the manner provided in accordance with Condition 19.

(f) *Entitlement of the Trustee*

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Certificateholders as a class and shall not have regard to the consequences of such exercise for any particular Certificateholder and the Trustee shall not be entitled to require, nor shall any Certificateholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual holders of such Certificates.

16. **Replacement of Certificates**

Should any Certificate be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Warrant and Certificate Agent (in the case of Clearing System Certificates) or the Registrar (in the case of Registered Certificates), subject to relevant stock exchange requirements and all applicable laws, upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence, security and indemnity and otherwise as the Issuer or (if applicable) the Guarantor may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

17. **Further Certificates**

The Issuer may from time to time without the consent of the Certificateholders (but provided that the Trustee is satisfied that the restrictions set out in this Condition 17 will be complied with), create and issue further Certificates ("**Further Certificates**") having the same terms and conditions as the Certificates in all respects (or in all respects except for the Issue Date, first payment of interest (if applicable) and issue price) and so that the same shall be consolidated and form a single series with such Certificates provided that (unless otherwise approved by an Extraordinary Resolution of the Certificateholders):

- (a) The Issuer provides additional security for such Further Certificates that comprises assets that are fungible with, and have the same proportionate composition as, the Charged Assets in respect of the relevant existing Certificates and that has an aggregate principal amount at least equal to the product of (i) the principal amount of such existing security and (ii) a fraction, the numerator of which is the number of the Further Certificates and the denominator is the number of the existing Certificates; and
- (b) The Issuer enters into an additional and/or supplemental agreement varying the terms of the relevant Swap Agreement, Repurchase Agreement or Deposit Agreement, as applicable, to take account of the Further Certificates on terms no less favourable than those of the Swap Agreement, Repurchase Agreement or Deposit Agreement, as applicable.

Any Further Certificates shall be constituted and secured by a further supplemental trust deed and the Certificates and the Further Certificates shall be secured by the same Charged Assets. References in these Conditions to "**Certificates**" and "**Charged Assets**" shall be construed accordingly.

18. Removal, Indemnification and Obligations of the Trustee

The Trust Deed contains provisions for the appointment, retirement and removal of the Trustee. The Issuer shall as soon as practicable after the appointment of a new trustee notify the Certificateholders of such appointment in accordance with Condition 19.

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including for the exercise of any voting rights in respect of the Compartment Assets or for the value, validity, sufficiency and enforceability (which the Trustee has not investigated) of the Compartment Security created over the Charged Assets. The Trustee is not obliged to take any action under the Trust Deed, the Certificates or otherwise unless indemnified and/or secured to its satisfaction. The Trustee and any affiliate is entitled to enter into business transactions with the Issuer, the Guarantor, any issuer or guarantor (where applicable) of any of the Charged Assets any party other than the Issuer under a Related Agreement (including, without limitation, the Swap Counterparty), or any of their subsidiary, holding or associated companies without accounting to the Certificateholders for profit resulting therefrom.

The Trustee is exempted from liability with respect to any loss or theft or reduction in value (as appropriate) of the Charged Assets from any obligation to insure or to procure the insuring of the Charged Assets (or any documents evidencing, constituting or representing the same or transferring any rights or obligations thereunder) and from any claim arising from the fact that the Charged Assets are held in an account with a clearing agent in accordance with that relevant clearing agent's rules or otherwise held in safe custody by the Custodian or any custodian whether or not selected by the Trustee (in each case, if applicable). The Trustee is not responsible for supervising the performance by (i) the Issuer of its own obligations and (ii) any other person of their obligations to the Issuer.

For the purposes of this Condition 18, each of the Issuer and, as the case may be, the Guarantor expressly accepts and confirms, for the purposes of articles 1278 and 1281 of the Luxembourg civil code, that notwithstanding any assignment, transfer and/or novation permitted under and made in accordance with the provisions of the Trust Deed or any agreement referred to therein to which the Issuer and, as the case may be, the Guarantor are party, any security created or guarantee given under the Trust Deed shall be reserved for the benefit of the new trustee (for itself and for the benefit of each other Secured Party).

19. Notices

All notices regarding the Certificates shall be valid if: (a) in the case of Certificates represented by a Global Certificate, delivered to Euroclear and/or Clearstream, Luxembourg for communication by them to the Certificateholders; (b) so long as any Certificates are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of such stock exchange or relevant authority so require, in accordance with such rules; or (c) in the case of Registered Certificates if sent by first class mail to the Certificateholders (or the first named of joint Certificateholders) at their respective addresses recorded in the Register. If and for so long as the Certificates are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange, and so long as the Luxembourg Stock Exchange so require, notices shall be made available on the Luxembourg Stock Exchange's website, www.bourse.lu. Any such notice shall be deemed to have been given on the Business Day on which such delivery takes place or, if earlier, the date of such publication, or, if published more than once, on the date of the first such publication.

If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Whilst any of the Certificates are represented by a Global Certificate, such notice may be given by any Certificateholder to the Principal Warrant and Certificate Agent or the Registrar (as applicable) via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Warrant and Certificate Agent or the Registrar (as applicable) and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

20. **Adjustments for European Monetary Union**

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Certificateholders or the Trustee, on giving notice to the Certificateholders in accordance with Condition 19 (*Notices*):

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

The election will have effect as follows:

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

Notwithstanding the foregoing, none of the Issuer, the Guarantor (if any), the Calculation Agent, the Principal Warrant and Certificate Agent and the Trustee shall be liable to any Certificateholder or other person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of euro or any currency conversion or rounding effected in connection therewith.

In these Conditions, the following expressions have the following meanings:

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

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

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

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

"Settlement Currency" shall be the currency specified as such in the applicable Final Terms; and

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

21. **Contracts (Rights of Third Parties) Act 1999**

The Certificates shall not confer on a third party any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Certificates, but this does not affect any right or remedy of a third party which may exist or is available apart from that Act.

22. **Governing Law and Submission to Jurisdiction**

The Agency Agreement, the Trust Deed (save to the extent that the Trust Deed relates to security interests created over assets located or deemed to be located in Luxembourg) and the Certificates (and any non-contractual obligations arising out of or in connection with such documents) are (or, as the case may be, shall be) governed by, and shall be construed in accordance with, English law.

The Issuer irrevocably agrees, for the exclusive benefit of the Certificateholders that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Certificates (including a dispute relating to non-contractual obligations arising out of such Certificates) and accordingly any suit, action or proceedings arising out of or in connection with the Certificates may be brought in such courts.

The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Certificateholder may take any suit, action or proceedings (together referred to as **"Proceedings"**) arising out of or in connection with the Certificates (including Proceedings relating to any non-contractual obligations arising out of or in connection with such Certificates) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

The Issuer appoints BNP Paribas, London Branch, of 10 Harewood Avenue, London NW1 6AA (Attention: the Loan Administration Department), as its agent for service of process, and undertakes that, in the event of BNP Paribas, London Branch ceasing so to act or ceasing to be registered in England, it will appoint, subject to the prior written approval of the Trustee, another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

The Issuer has in the Trust Deed submitted to the jurisdiction of the English courts and has appointed an agent for service of process in terms substantially similar to those set out above.

ANNEX 1

ADDITIONAL TERMS AND CONDITIONS FOR INDEX LINKED SECURITIES

The terms and conditions applicable to Index Linked Securities shall comprise, in the case of Notes, the Terms and Conditions of the Notes (as set out under the heading "Terms and Conditions of the Notes" above and, for the avoidance of doubt, not including Annexes 1 to 10), in the case of Warrants, the Terms and Conditions of the Warrants (as set out under the heading "Terms and Conditions of the Warrants" above and, for the avoidance of doubt, not including Annexes 1 to 8 or 10), and, in the case of Certificates, the Terms and Conditions of the Certificates (as set out under the heading "Terms and Conditions of the Certificates" above and, for the avoidance of doubt, not including Annexes 1 to 10) as applicable (the "Conditions") and the additional Terms and Conditions set out below (the "Index Linked Conditions") and any other additional Terms and Conditions that may be specified in the Final Terms (the "Additional Terms and Conditions"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Conditions and the Index Linked Conditions, the Index Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the Conditions and/or the Index Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1. Market Disruption

"Market Disruption Event" means, in relation to Securities relating to a single Index or basket of Indices:-

- (x) in respect of a Composite Index:
 - (i) (a) the occurrence or existence, in respect of any Component Security, of:
 - (1) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded;
 - (2) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; or
 - (3) an Early Closure in respect of such Component Security; and
 - (b) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Index; or
- (ii) the occurrence or existence, in respect of futures or options contracts relating to such Index, of: (a) a Trading Disruption; (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the Valuation Time in respect of the Related Exchange; or (c) an Early Closure, in each case in respect of such futures or options contracts.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component Security at any time, if a Market Disruption Event occurs in respect of such Component Security at that time, then the relevant percentage contribution of that Component Security to the level of such Index shall be based on a comparison of (x) the portion of the level of

the Index attributable to that Component Security to (y) the overall level of such Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "opening data"; and

- (y) in the case of Indices other than Composite Indices, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins or ends at the same time when the level of such Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances ends at the relevant Valuation Time, or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of such Index exists at any time, if a Market Disruption Event occurs in respect of a security included in such Index at any time, then the relevant percentage contribution of that security to the level of such Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event. The Calculation Agent shall give notice as soon as practicable to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable, of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day would have been the Strike Date, an Averaging Date, an Observation Date or a Valuation Date, as the case may be.

2. **Adjustments to an Index**

(A) *Successor Index Sponsor Calculates and Reports an Index*

If a relevant Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent (the "**Successor Index Sponsor**"), or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

(B) *Modification and Cessation of Calculation of an Index*

If (i) on or prior to the last Valuation Date, last Observation Date, last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**"), or permanently cancels a relevant Index and no Successor Index exists (an "**Index Cancellation**"), or (ii) on a Valuation Date, an Observation Date, an Averaging Date, a Knock-in Determination Day or Knock-out Determination Day, the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**" and, together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**"), then,

- (i) the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the relevant Settlement Price using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on that Valuation Date, Observation Date, Averaging Date, Knock-in Determination Day or Knock-out Determination Day, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that Index Adjustment Event;

- (ii) in the case of Notes and Certificates only, unless Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent may require the Issuer to redeem the Notes or Certificates, as applicable, in which case it will so notify the Issuer and the Issuer will give notice to Noteholders in accordance with Condition 18 of the Notes or to the Certificateholders in accordance with Condition 19 of the Certificates, as applicable. If the Notes or Certificates are so redeemed the Issuer will pay an amount to each Noteholder or Certificateholder, as the case may be, in respect of each redeemed Note or Certificate being redeemed at an amount equal to the fair market value of each Note or Certificate, taking into account the Index Adjustment Event, less the cost to the Swap Counterparty and/or its Affiliates of unwinding the relevant Swap Agreement (if any) and any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 18 of the Notes or to the Certificateholders in accordance with Condition 19 of the Certificates, as applicable;
- (iii) in the case of Notes and Certificates only, if Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Note or Certificate, as applicable, taking into account the Index Adjustment Event less the cost to the Swap Counterparty and/or its Affiliates of unwinding any relevant Swap Agreement or underlying related hedging arrangements (the "**Calculated Amount**") as soon as practicable following the occurrence of the Index Adjustment Event (the "**Calculated Amount Determination Date**") and on the Maturity Date (in the case of Notes) or on the Redemption Date (in the case of Certificates) shall redeem each Note or Certificate, as applicable, at an amount calculated by the Calculation Agent equal to (x) the Calculated Amount plus interest accrued from and including the Calculated Amount Determination Date to but excluding the Maturity Date (in the case of Notes) or the Redemption Date (in the case of Certificates) at a rate equal to zero per cent. unless otherwise specified in the applicable Final Terms or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, its nominal amount (in the case of Notes) or its notional amount (in the case of Certificates); or
- (iv) in the case of Warrants only, the Issuer may cancel the Warrants by giving notice to the Warrantholders in accordance with Condition 17 of the Warrants. If the Warrants are so cancelled the Issuer will pay an amount to each holder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be the fair market value of a Warrant or a Unit, as the case may be, taking into account the Index Adjustment Event, less the cost to the Swap Counterparty and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 17 of the Warrants.

(C) *Swap Agreement Determination*

Notwithstanding any other provision of this Index Linked Condition 2, in determining whether such Index Adjustment Event has a material effect on the Securities and in calculating the relevant Settlement Price in respect of Index Linked Condition 2(B)(i) above, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar

determination or calculation made in respect of the relevant Swap Agreement in relation to such Index Adjustment Event.

(D) *General*

In determining to take a particular action as a result of an Index Adjustment Event, the Calculation Agent is under no duty to consider the interests of Holders of Securities or any other person. In making any determination as to which action to take following the occurrence of an Index Adjustment Event, none of the Calculation Agent, the Issuer or the Swap Counterparty shall be responsible for any loss (including liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders of Securities or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

(E) *Notice*

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

3. **Correction of Index**

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

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

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

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

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if on any Knock-in Determination Day or Knock-out Determination Day at any time during the one hour period that begins or ends at the Valuation Time the level of the Index triggers the Knock-in Level or the Knock-out Level, a Trading Disruption, Exchange Disruption or Early Closure occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred; provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending

Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the level of the Index as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date".

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

Definitions

Unless otherwise specified in the applicable Final Terms:

"Knock-in Determination Day" means the date(s) specified as such in the applicable Final Terms, or each Scheduled Trading Day during the Knock-in Determination Period.

"Knock-in Determination Period" means, in respect of a single Index or a basket of Indices the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

"Knock-in Event" means:

- (i) in the case of a single Index, that the level of the Index determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is; and
 - (ii) in the case of a basket of Indices, that the amount determined by the Calculation Agent equal to the sum of the values of each Index as the product in respect of each Index of (x) the level of such Index as of the Knock-in Valuation Time on any Knock-in Determination Day and (y) the relevant Weighting is,
- (A) (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-in Level or (B) "within" the Knock-in Range Level, in each case as specified in the applicable Final Terms.

"Knock-in Level" means (i) in the case of a single Index, the level of the Index and (ii) in the case of a basket of Indices, the level in each case specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Index Linked Condition 1 and Index Linked Condition 2.

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

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

"Knock-in Range Level" means the range of levels specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Index Linked Condition 1 and Index Linked Condition 2;

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

"Knock-out Determination Day" means the date(s) as specified in the applicable Final Terms, or each Scheduled Trading Day during the Knock-out Determination Period.

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

"Knock-out Event" means:

- (i) in respect of a single Index, that the level of the Index determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is; and
- (ii) in respect of a Basket of Indices, that the amount determined by the Calculation Agent equal to the sum of the values of each Index as the product in respect of each Index of (x) the level of such Index as of the Knock-out Valuation Time on any Knock-out Determination Day and (y) the relevant Weighting is,
 - (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-out Level as specified in the applicable Final Terms.

"Knock-out Level" means (i) in the case of a single Index the level of the Index and (ii) in the case of a Basket of Indices, the level, in each case specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions of Index Linked Condition 1 and Index Linked Condition 2 above.

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

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

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

5. **Automatic Early Redemption Event**

Index Linked Condition 5 applies to Notes or Certificates only linked to an Index other than a Custom Index.

If **"Automatic Early Redemption Event"** is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, the Notes or Certificates, as

applicable, will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Early Redemption Amount payable by the Issuer on such date upon redemption of each such Note or Certificate, as applicable, shall be an amount in the Relevant Currency specified in the applicable Final Terms equal to the relevant Automatic Early Redemption Amount.

"Automatic Early Redemption Amount" means (a) an amount in the Settlement Currency specified in the applicable Final Terms or if such amount is not specified, (b) the product of (i) the denomination of each Note or Certificate, as applicable, and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date, less the cost to the Swap Counterparty and/or its Affiliates of unwinding the relevant Swap Agreement (if any) and any underlying related hedging arrangements, as determined by the Calculation Agent in its sole and absolute discretion.

Definitions

Unless otherwise specified in the applicable Final Terms:

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

"Automatic Early Redemption Event" means (i) in case of a single Index that the level of the Index determined by the Calculation Agent as of the Valuation Time on any Automatic Early Redemption Valuation Date is and (ii) in the case of a Basket of Indices, the amount determined by the Calculation Agent equal to the sum of the values of each Index of each Index as the product of (x) the level of such Index as determined by the Calculation Agent as of the Valuation Time on any Automatic Early Redemption Valuation Date and (y) the relevant Weighting is, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Automatic Early Redemption Level as specified in the Final Terms.

"Automatic Early Redemption Level" means the level of the Index specified as such or otherwise determined in the applicable Final Terms, subject to "Adjustment to the Index" set forth in Index Linked Condition 2 above.

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

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

6. Definitions

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

"Averaging Date" means each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (A) If "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision no Averaging Date would occur, then the provisions of the definition of "**Valuation Date**" will apply for purposes of determining the relevant level, price or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
- (B) if "**Postponement**" is specified as applying in the applicable Final Terms, then the provisions of the definition of "**Valuation Date**" will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
- (C) if "**Modified Postponement**" is specified as applying in the applicable Final Terms then:
 - (i) where the Securities are Index Linked Securities relating to a single Index, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether such Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a)(ii) of the definition of "Valuation Date" below;
 - (ii) where the Securities are Index Linked Securities relating to a basket of Indices, the Averaging Date for each Index not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the "**Scheduled Averaging Date**") and the Averaging Date for each Index affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Index. If the first succeeding Valid Date in relation to such Index has not occurred for a number of consecutive Scheduled Trading days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) that last such consecutive Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether such Scheduled Trading Day is already an Averaging Date) in respect of such Index, and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (b)(ii) of the definition of "**Valuation Date**" below; and
 - (iii) for the purposes of these Index Linked Conditions "**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

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

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

"**Clearance System Days**" means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event results in the Clearance System being

unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions.

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

"Composite Index" means any Index specified as such in the applicable Final Terms, or if not specified, any Index the Calculation Agent determines as such.

"Disrupted Day" means:

- (A) in the case of a Composite Index, any Scheduled Trading Day on which: (i) the Index Sponsor fails to publish the level of the Index; (ii) the Related Exchange fails to open for trading during its regular trading session; or (iii) a Market Disruption Event has occurred; and
- (B) in the case of any Index which is not a Composite Index, any Scheduled Trading Day on which (i) the relevant Exchange and/or any Related Exchange fails to open for trading during their regular trading session or (ii) a Market Disruption Event has occurred.

"Early Closure" means:

- (A) in the case of a Composite Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day; and
- (B) in the case of any Index which is not a Composite Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of such Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

"Exchange" means:

- (A) in the case of a Composite Index, in respect of each Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent; and
- (B) in the case of any Index which is not a Composite Index, in respect of such Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange).

"Exchange Business Day" means either (i) in the case of a single Index, Exchange Business Day (Single Index Basis) or (ii) in the case of a Basket of Indices, (a) Exchange Business Day (All

Indices Basis) or (b) Exchange Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Exchange Business Day (All Indices Basis) shall apply.

"Exchange Business Day (All Indices Basis)" means any Scheduled Trading Day on which (i) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange are open for trading during their respective regular trading sessions in respect of such Indices, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (ii) in respect of any Composite Indices, (a) the Index Sponsor publishes the level of such Composite Indices and (b) each Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Indices, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Business Day (Per Index Basis)" means:

- (A) in the case of any Composite Index, any Scheduled Trading Day on which (i) the Index Sponsor publishes the level of such Composite Index; and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding such Related Exchange closing prior to its Scheduled Closing Time; and
- (B) in any other case, any Scheduled Trading Day on which the relevant Exchange and Related Exchange in respect of such Index are open for trading during their respective regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Business Day (Single Index Basis)" means any Scheduled Trading Day on which (i) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to its Scheduled Closing Time and (ii) in respect of a Composite Index (a) the relevant Index Sponsor publishes the level of such Composite Index and (b) the relevant Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Index, notwithstanding such Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Disruption" means:

- (A) in the case of any Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for, (A) any Component Security on the Exchange in respect of such Component Security; or (B) in futures or options contracts relating to such Index on the Related Exchange; and
- (B) in the case of any Index which is not a Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (A) to effect transactions in, or obtain market values for on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index, or (B) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange.

"Index" and **"Indices"** mean, subject to adjustment in accordance with these Index Linked Conditions, the index or indices specified in the applicable Final Terms and related expressions shall be construed accordingly.

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

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

"Observation Date" means each date specified as an Observation Date in the applicable Final Terms, or if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of "Averaging Date" shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date".

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

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

"Scheduled Closing Time" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours subject as provided in "Valuation Time" below.

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

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

"Scheduled Trading Day (All Indices Basis)" means (i) in respect of any Index which is not a Composite Index, any day on which each Exchange and each Related Exchange in respect of each such Index are scheduled to be open for trading during their respective regular trading session(s), and (ii) in respect of any Composite Index, any day on which (a) the Index Sponsor is scheduled to publish the level of such Composite Index and (b) each Related Exchange is scheduled to be open for trading during its regular trading session in respect of such Composite Index.

"Scheduled Trading Day (Per Index Basis)" means:

- (A) in respect of any Composite Index, any day on which (i) the Index Sponsor is scheduled to publish the level of such Index; and (ii) the Related Exchange is scheduled to be open for trading during its regular trading session; and

- (B) in any other case, any day on which the relevant Exchange and Related Exchange in respect of such Index are scheduled to be open for trading during their respective regular trading session(s).

"Scheduled Trading Day (Single Index Basis)" means any day on which (i) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, are scheduled to be open for trading during their respective regular trading session(s) and (ii) in respect of a Composite Index (a) the relevant Index Sponsor is scheduled to publish the level of such Composite Index and (b) the relevant Related Exchange, if any, is scheduled to be open for trading during its regular trading session in respect of such Composite Index.

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

"Screen Page" means the page specified in the applicable Final Terms, or any successor page or service thereto.

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

"Settlement Price" means, unless otherwise specified in the applicable Final Terms, and subject as referred to in "Strike Date", "Valuation Date" or "Averaging Date" as the case may be:

- (i) in the case of Index Linked Securities relating to a single Index, an amount equal to the official closing level of the Index or, in relation to a Composite Index, the official closing level of such Index as published by the relevant Index Sponsor, in each case as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (A) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (B) if Averaging is specified in the applicable Final Terms, an Averaging Date; and
- (ii) in the case of Index Linked Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount equal to the official closing level of such Index or, in relation to a Composite Index, the official closing level of such Index as published by the relevant Index Sponsor, in each case as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of such Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (A) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (B) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting.

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

"Specified Maximum Days of Disruption" means eight (8) Scheduled Trading Days or such other number of Scheduled Trading Days specified in the applicable Final Terms.

"Strike Date" means the Strike Date specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (A) in the case of Index Linked Securities relating to a single Index, the Strike Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day. In that

case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the relevant level or price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant level or price by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or

- (B) in the case of Index Linked Securities relating to a Basket of Indices, the Strike Date for each Index, not affected by the occurrence of a Disrupted Day shall be the Scheduled Strike Date, and the Strike Date for each Index, affected (each an "**Affected Item**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to the Affected Item, the level or value as applicable, determined in the manner set out in the applicable Final Terms, or, if not set out or if not practicable, using the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day) and otherwise in accordance with the above provisions.

"Trading Disruption" means:

- (A) in the case of a Composite Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to the Index on the Related Exchange; and
- (B) in the case of an Index which is not a Composite Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (a) relating to securities that comprise 20 per cent. or more of the level of such Index on any relevant Exchange(s) or (b) in futures or options contracts relating to such Index on any relevant Related Exchange.

"Valuation Date" means, (i) in respect of the Notes and Certificates, the Interest Valuation Date and/or the Redemption Valuation Date, as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day and (ii) in respect of the Warrants, the first Scheduled Trading Day following the Actual

Exercise Date of the relevant Warrant, unless, in the case of either (i) or (ii), in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (A) in the case of Index Linked Securities relating to a single Index, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the Settlement Price by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
- (B) in the case of Index Linked Securities relating to a Basket of Indices, the Valuation Date for each Index, not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index, affected (each an "**Affected Item**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Price using, in relation to the Affected Item, the level or value as applicable, determined in the manner set out in the applicable Final Terms, or, if not set out or if not practicable, using the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day) and otherwise in accordance with the above provisions.

"**Valuation Time**" means:

- (A) the Valuation Time specified in the applicable Final Terms; or
- (B) if not specified in the applicable Final Terms:
 - (x) in the case of a Composite Index, means in respect of such Index: (i) for the purposes of determining whether a Market Disruption Event has occurred: (a) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (b) in respect of any options contracts or futures contracts on the Index, the close of trading on the Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor; or

- (y) in the case of any Index which is not a Composite Index, means the Scheduled Closing Time on the Exchange on the relevant date. If the Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

7. Custom Index

Index Linked Conditions 8 to 12 (inclusive) apply if "Custom Index" is specified as applicable in the applicable Final Terms. In the event of any inconsistency between the provisions of Index Linked Conditions 8 to 12 and the other Index Linked Conditions, the provisions of Index Linked Conditions 8 to 12 shall prevail.

8. Adjustments to a Custom Index and Custom Index Disruption

(A) Successor Index Sponsor Calculates and Reports an Index

If a relevant Custom Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent, or (ii) replaced by a successor custom index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Custom Index, then in each case that custom index (the "**Successor Custom Index**") will be deemed to be the Custom Index.

(B) Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption

If (i) on or prior to the last Valuation Date, the last Observation Date or the last Averaging Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Custom Index or in any other way materially modifies that Custom Index (other than a modification prescribed in that formula or method to maintain that Custom Index in the event of changes in constituent components and capitalisation, contracts or commodities and other routine events) (a "**Custom Index Modification**"), or permanently cancels a relevant Custom Index and no Successor Custom Index exists (a "**Custom Index Cancellation**"), or (ii) on a Valuation Date, an Observation Date or an Averaging Date, the Index Sponsor or (if applicable) the Successor Custom Index Sponsor fails to calculate and announce a relevant Custom Index or it is not a Custom Index Business Day (a "**Custom Index Disruption**" and, together with a Custom Index Modification and a Custom Index Cancellation, each a "**Custom Index Adjustment Event**"), then:

- (1) in the case of Custom Index Linked Securities relating to a single Custom Index where Scheduled Custom Index Business Days (Single Custom Index Basis) is specified as applicable in the applicable Final Terms, then:
 - (i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the last Valuation Date, last Averaging Date or last Observation Date, then such Valuation Date, Averaging Date or Observation Date, as the case may be, shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption is not occurring, unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive

Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, notwithstanding the Custom Index Disruption and the Calculation Agent shall determine the Settlement Price by using commercially reasonable efforts to determine the level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index;

- (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date), an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date), the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so shall (x) to the extent that an equivalent or similar adjustment, determination or calculation has been made in respect of the relevant Swap Agreement, take the action described in (i), (ii), (iii) or (vii) below and (y) in the event that such Custom Index Modification, Custom Index Cancellation or Custom Index Disruption results in an Additional Termination Event occurring in respect of the relevant Swap Agreement, take the action described in either (iv), (v) or (vi) below (as applicable):
- (iii) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the Strike Date, an Averaging Date or Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date or Observation Date, as the case may be) unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date or Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date or Observation Date, as the case may be) and may determine the Settlement Price by using commercially reasonable efforts to determine a level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index; or
- (iv) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders of Securities and such index shall

become the Successor Custom Index and shall be deemed to be the "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent in its sole and absolute discretion determines appropriate; or

- (v) the Calculation Agent may determine in its sole and absolute discretion such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (vi) in the case of Notes and Certificates only, unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent may require the Issuer to redeem the Notes or Certificates, as applicable, in which case it will so notify the Issuer and the Issuer will give notice to Noteholders in accordance with Condition 18 of the Notes and to the Certificateholders in accordance with Condition 19 of the Certificates. If the Notes or Certificates are so redeemed the Issuer will pay an amount to each Noteholder or Certificateholder, as the case may be, in respect of each redeemed Note or Certificate being redeemed at an amount equal to the fair market value of each Note or Certificate, taking into account the Custom Index Adjustment Event, less the cost to the Swap Counterparty and/or its Affiliates of unwinding the relevant Swap Agreement (if any) and any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 18 of the Notes or as to the Certificateholders in accordance with Condition 19 of the Certificates (as applicable); or
- (vii) in the case of Notes and Certificates only, if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Note or Certificate, as applicable, taking into account the Custom Index Adjustment Event less the cost to the Swap Counterparty and/or its Affiliates of unwinding any relevant Swap Agreement or underlying related hedging arrangements (the "Calculated Custom Index Adjustment Event Amount") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "Calculated Custom Index Adjustment Event Amount Determination Date") and on the Maturity Date (in the case of Notes) or on the Redemption Date (in the case of Certificates) shall redeem each Note or Certificate, as applicable, at an amount calculated by the Calculation Agent equal to (x) the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Maturity Date (in the case of Notes) or the Redemption Date (in the case of Certificates) at a rate equal to zero per cent. (unless otherwise specified in the applicable Final Terms) or (y) if greater, its nominal amount (in the case of Notes) or its notional amount (in the case of Certificates); or
- (vi) in the case of Warrants only, the Issuer may cancel the Warrants by giving notice to the Warrantholders in accordance with Condition 17 of the Warrants. If the Warrants are so cancelled the Issuer will pay an

amount to each holder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be the fair market value of a Warrant or a Unit, as the case may be, taking into account the Index Adjustment Event, less the cost to the Swap Counterparty and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 17 of the Warrants; or

- (vii) in the case of a Custom Index Modification which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of the Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification;
- (2) in the case of Custom Index Linked Securities relating to a Basket of Custom Indices where Scheduled Custom Index Business Days (All Custom Indices Basis) is specified as applicable in the applicable Final Terms, then:
 - (i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring in respect of any Custom Index (each an "**Affected Custom Index**") on the last Valuation Date, last Averaging Date or last Observation Date, then such Valuation Date, Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption is not occurring in respect of any of the Custom Indices in the Basket, unless there is a Custom Index Disruption in respect of any one of the Custom Indices in the Basket on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket, notwithstanding the Custom Index Disruption in respect of an Affected Custom Index and the Calculation Agent shall determine the Settlement Price by using (X) in respect of any Custom Index which is not an Affected Custom Index, the method provided for in part (i) of the definition of "Settlement Price" contained in Index Linked Condition 12 and (Y) in respect of any Custom Index in the Basket which is an Affected Custom Index, commercially reasonable efforts to determine the level of the relevant Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index;

- (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date), an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so shall (x) to the extent that an equivalent or similar adjustment, determination or calculation has been made in respect of the relevant Swap Agreement, take the action described in (i), (ii), (iii) or (vii) below and (y) in the event that such Custom Index Modification, Custom Index Cancellation or Custom Index Disruption results in an Additional Termination Event occurring in respect of the relevant Swap Agreement, take the action described in either (iv), (v) or (vi) below (as applicable):
 - (i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the Strike Date, an Averaging Date or Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date or Observation Date, as the case may be) on which a Custom Index Disruption is not occurring in respect of any Custom Index (each an "**Affected Custom Index**") comprised in the Basket unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date or Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date or Observation Date, as the case may be) for all Custom Indices in the Basket and may determine the Settlement Price by using (X) in respect of any Custom Index in the Basket which is not an Affected Custom Index, the method provided for in part (i) of the definition of "Settlement Price" contained in Custom Index Linked Condition 12 below and (Y) in respect of any Custom Index in the Basket which is an Affected Custom Index, commercially reasonable efforts to determine a level of the relevant Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index; or
 - (ii) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders of Securities

and such index shall become the Successor Custom Index and shall be deemed to be a "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent in its sole and absolute discretion determines appropriate; or

- (iii) the Calculation Agent may determine in its sole and absolute discretion such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (iv) in the case of Notes and Certificates only, unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent may require the Issuer to redeem the Notes or Certificates, as applicable, in which case it will so notify the Issuer and the Issuer will give notice to Noteholders in accordance with Condition 18 of the Notes or to the Certificateholders in accordance with Condition 19 of the Certificates. If the Notes or Certificates are so redeemed the Issuer will pay an amount to each Noteholder or Certificateholder, as the case may be, in respect of each redeemed Note or Certificate being redeemed at an amount equal to the fair market value of each Note or Certificate, taking into account the Custom Index Adjustment Event, less the cost to the Swap Counterparty and/or its Affiliates of unwinding the relevant Swap Agreement (if any) and any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 18 of the Notes or to the Certificateholders in accordance with Condition 19 of the Certificates (as applicable); or
- (v) in the case of Notes and Certificates only, if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Note or Certificate, as applicable, taking into account the Custom Index Adjustment Event less the cost to the Swap Counterparty and/or its Affiliates of unwinding any relevant Swap Agreement or underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and on the Maturity Date (in the case of Notes) or on the Redemption Date (in the case of Certificates) shall redeem each Note or Certificate, as applicable, at an amount calculated by the Calculation Agent equal to (x) the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Maturity Date (in the case of Notes) or the Redemption Date

(in the case of Certificates) at a rate equal to zero per cent. (unless otherwise specified in the applicable Final Terms) or (y) if greater, its nominal amount (in the case of Notes) or its notional amount (in the case of Certificates); or

- (vi) in the case of Warrants only, the Issuer may cancel the Warrants by giving notice to the Warrantholders in accordance with Condition 17 of the Warrants. If the Warrants are so cancelled the Issuer will pay an amount to each holder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be the fair market value of a Warrant or a Unit, as the case may be, taking into account the Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 17 of the Warrants; or
 - (vii) in the case of a Custom Index Modification which occurs in respect of a Custom Index in the Basket which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of such Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification;
- (3) in the case of Custom Index Linked Securities relating to a Basket of Custom Indices where Scheduled Custom Index Business Days (Per Custom Index Basis) is specified as applicable in the applicable Final Terms, then:
- (i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the last Valuation Date, last Averaging Date or last Observation Date, then the Valuation Date, Averaging Date or Observation Date, as the case may be, for each Custom Index not affected by the occurrence of the Custom Index Disruption shall be the scheduled last Valuation Date, last Averaging Date or last Observation Date, as the case may be, and the Valuation Date, Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket affected by the Custom Index Disruption (each an "**Affected Custom Index**") shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption is not occurring in respect of such Affected Custom Index, unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may

be, for the relevant Affected Custom Index and the Calculation Agent shall determine the Settlement Price by using commercially reasonable efforts to determine the level of the relevant Affected Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Affected Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Affected Custom Index;

- (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date), an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so shall (x) to the extent that an equivalent or similar adjustment, determination or calculation has been made in respect of the relevant Swap Agreement, take the action described in (i), (ii), (iii) or (vii) below and (y) in the event that such Custom Index Modification, Custom Index Cancellation or Custom Index Disruption results in an Additional Termination Event occurring in respect of the relevant Swap Agreement, take the action described in either (iv), (v) or (vi) below (as applicable):

- (i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the Strike Date, an Averaging Date or Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket not affected by the occurrence of the Custom Index Disruption shall be the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, and the Strike Date, Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket affected by the Custom Index Disruption (each an "**Affected Custom Index**") shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date or Observation Date, as the case may be) on which a Custom Index Disruption is not occurring in respect of such Affected Custom Index unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date or Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date or Observation Date, as the case may be) for the relevant Affected Custom index and may determine the Settlement Price by using commercially reasonable efforts to determine a level of the relevant Affected Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom

Index Business Day in accordance with the formulae for and method of calculating the relevant Affected Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index; or

- (ii) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders of Securities and such index shall become the Successor Custom Index and shall be deemed to be a "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent in its sole and absolute discretion determines appropriate; or
- (iii) the Calculation Agent may determine in its sole and absolute discretion such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (iv) in the case of Notes and Certificates only, unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent may require the Issuer to redeem the Notes or Certificates, as applicable, in which case it will so notify the Issuer and the Issuer will give notice to Noteholders in accordance with Condition 18 of the Notes or to the Certificateholders in accordance with Condition 19 of the Certificates. If the Notes or Certificates are so redeemed the Issuer will pay an amount to each Noteholder or Certificateholder in respect of each redeemed Note or Certificate being redeemed at an amount equal to the fair market value of such Note or Certificate, as the case may be, taking into account the Custom Index Adjustment Event, less the cost to the Swap Counterparty and/or its Affiliates of unwinding the relevant Swap Agreement (if any) or any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 18 of the Notes or to the Certificateholders in accordance with Condition 19 of the Certificates; or
- (v) in the case of Notes and Certificates only, if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Note or Certificate, as applicable, taking into account the Custom Index Adjustment Event less the cost to the Swap Counterparty and/or its Affiliates of unwinding any relevant Swap Agreement or underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index

Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and on the Maturity Date (in the case of Notes) or on the Redemption Date (in the case of Certificates) shall redeem each Note or Certificate, as applicable, at an amount calculated by the Calculation Agent equal to (x) the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Maturity Date (in the case of Notes) or the Redemption Date (in the case of Certificates) at a rate equal to zero per cent. (unless otherwise specified in the applicable Final Terms) or (y) if greater, its nominal amount (in the case of Notes) or its notional amount (in the case of Certificates); or

- (vi) in the case of Warrants only, the Issuer may cancel the Warrants by giving notice to the Warrantholders in accordance with Condition 17 of the Warrants. If the Warrants are so cancelled the Issuer will pay an amount to each holder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be the fair market value of a Warrant or a Unit, as the case may be, taking into account the Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 17 of the Warrants; or
- (vii) in the case of a Custom Index Modification which occurs in respect of a Custom Index in the Basket on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of such Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.

(C) *Swap Agreement Determination*

Notwithstanding any other provision of this Index Linked Condition 8, in determining whether such Custom Index Adjustment Event has a material effect on the Securities and in making any calculation, substitution or adjustment in respect of Index Linked Condition 8(B) above, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar determination, adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Custom Index Adjustment Event.

(D) *General*

In determining to take a particular action as a result of a Custom Index Adjustment Event, the Calculation Agent is under no duty to consider the interests of Holders of Securities or any other person. In making any determination as to which action to take following the occurrence of an

Index Adjustment Event, none of the Calculation Agent, the Issuer or the Swap Counterparty shall be responsible for any loss (including liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders of Securities or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

(E) *Notice*

The Calculation Agent shall, as soon as practicable, notify the relevant Agent of any determination made by it pursuant to Index Linked Condition 8(B) and the action proposed to be taken in relation thereto and the Calculation Agent shall make available for inspection by Holders of Securities copies of any such determinations.

9. **Correction of Custom Index**

With the exception of any corrections published after the day which is three Scheduled Custom Index Business Days prior to the due date for any payment in respect of the relevant Securities, calculated by reference to the level of a Custom Index, if the level of the Custom Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities, is subsequently corrected and the correction published by the relevant Index Sponsor within the number of days equal to the Custom Index Correction Period of the original publication, the level to be used shall be the level of the Custom Index as so corrected. Corrections published after the day which is three Scheduled Custom Index Business Days prior to a due date for payment under the relevant Securities calculated by reference to the level of the Custom Index will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

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

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

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

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if on any Knock-in Determination Day or Knock-out Determination Day a Custom Index Disruption Event is occurring, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred; provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the level of the Custom Index as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date".

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

Unless otherwise specified in the applicable Final Terms,

"**Knock-in Determination Day**" means the date(s) specified as such in the applicable Final Terms, or, if not so specified, each Scheduled Custom Index Business Day during the Knock-in Determination Period;

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

"Knock-in Event" means:

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

(1) "greater than", (2) "greater than or equal to", (3) "less than" or (4) "less than or equal to" the Knock-in Level as specified in the applicable Final Terms;

"Knock-in Level" means (i) in the case of a single Custom Index, the level of the Custom Index or (ii) in case of a Basket of Custom Indices, the level of each Custom Index in the Basket, in each case specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Index Linked Condition 8 (*Adjustments to a Custom Index and Custom Index Disruption*);

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

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

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

"Knock-out Determination Day" means the date(s) as specified in the applicable Final Terms, or each Scheduled Custom Index Business Day during the Knock-out Determination Period;

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

"Knock-out Event" means:

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

(1) "greater than", (2) "greater than or equal to", (3) "less than" or (4) "less than or equal to" the Knock-out Level as specified in the applicable Final Terms;

"Knock-out Level" means, in respect of a single Custom Index, (i) the level of the Custom Index or (ii) in the case of a Basket of Custom Indices, the level of each Custom Index in the Basket, in each case specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Index Linked Condition 8 (*Adjustments to a Custom Index and Custom Index Disruption*);

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

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

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

11. **Automatic Early Redemption**

Index Linked Condition 11 only applies to Notes and Certificates linked to a Custom Index.

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

Definitions relating to Automatic Early Redemption:

Unless otherwise specified in the applicable Final Terms,

"Automatic Early Redemption Amount" means (a) an amount in the Settlement Currency specified in the applicable Final Terms or if such amount is not specified, (b) the product of (i) the denomination of each Note or Certificate, as applicable, and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date, less the cost to the Swap Counterparty and/or its Affiliates of unwinding the relevant Swap Agreement(s) (if any) and any underlying related hedging arrangements, as determined by the Calculation Agent in its sole and absolute discretion;

"Automatic Early Redemption Date" means each date specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms;

"Automatic Early Redemption Event" means that (i) in respect of a single Custom Index, the level of the Custom Index determined by the Calculation Agent as of the Valuation Time on any Automatic Early Redemption Valuation Date is and (ii) in the case of a Basket of Custom Indices,

the amount determined by the Calculation Agent equal to the sum of the values of each Custom Index as the product of (x) the level of such Custom Index as determined by the Calculation Agent as of the Valuation Time on any Automatic Early Redemption Valuation Date and (y) the relevant Weighting is, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Automatic Early Redemption Price as specified in the Final Terms;

"Automatic Early Redemption Level" means the level of the Custom Index specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Index Linked Condition 8 (*Adjustments to a Custom Index and Custom Index Disruption*) above;

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

"Automatic Early Redemption Valuation Date" means each date as specified as such in the applicable Final Terms or, if such date is not a Scheduled Custom Index Business Day, the next following Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, there is a Custom Index Disruption Event occurring on such day, in which case, the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Automatic Early Redemption Valuation Date".

12. **Definitions relating to the Custom Indices**

Unless otherwise specified in the applicable Final Terms:

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

"Averaging Date" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Linked Condition 8(B) (*Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption*) shall apply;

"Banking Day" means any day other than each Saturday and Sunday and 25 December and 1 January in any year;

"Basket" and **"Basket of Custom Indices"** means a basket comprised of two or more Custom Indices;

"Custom Index" or **"Custom Indices"** mean, subject to adjustment in accordance with Condition 8, the custom index or custom indices specified in the applicable Final Terms and related expressions shall be construed accordingly;

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

"Custom Index Business Day (All Custom Indices Basis)" means any Scheduled Custom Index Business Day in respect of which (i) the level of the Custom Index is calculated and made available and (ii) it is a Custom Index Trading Day in respect of all Custom Indices in the Basket;

"Custom Index Business Day (Per Custom Index Basis)" means, in respect of a Custom Index, any Scheduled Custom Index Business Day in respect of which (i) the level of the Custom Index is calculated and made available and (ii) it is a Custom Index Trading Day;

"Custom Index Business Day (Single Custom Index Basis)" means any Scheduled Custom Index Business Day on which (i) the level of the Custom Index is calculated and made available and (ii) it is a Custom Index Trading Day;

"Custom Index Correction Period" means the period specified in the applicable Final Terms or if none is so specified, ten (10) Scheduled Custom Index Business Days following the date on which the original level was calculated and made available by the Index Sponsor and being the date after which all corrections to the level of the Custom Index shall be disregarded for the purposes of any calculations to be made using the level of the Custom Index;

"Custom Index Trading Day" means, in respect of a Custom Index, a day with respect to which the Swap Counterparty and/or any of its Affiliates determines in its sole and absolute discretion it is able to hedge its obligations in respect of such Custom Index under the Securities;

"Disrupted Day" means any Scheduled Custom Index Business Day on which a Custom Index Disruption has occurred or is continuing in the sole and absolute discretion of the Calculation Agent;

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

"Observation Date" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Linked Condition 8(B) (*Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption*) below shall apply;

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

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

"Scheduled Custom Index Business Day (All Custom Indices Basis)" means any Banking Day in respect of which (i) the level of the Custom Index is scheduled to be calculated and made available and (ii) it is scheduled to be a Custom Index Trading Day in respect of all Custom Indices in the Basket;

"Scheduled Custom Index Business Day (Per Custom Index Basis)" means in respect of a Custom Index, any Banking Day on which (i) the level of the Custom Index is scheduled to be calculated and made available and (ii) it is scheduled to be a Custom Index Trading Day;

"Scheduled Custom Index Business Day (Single Custom Index Basis)" means any Banking Day on which (i) the level of the Custom Index is scheduled to be calculated and made available and (ii) it is scheduled to be a Custom Index Trading Day;

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

- (i) in the case of Custom Index Linked Securities relating to a Basket of Custom Indices and in respect of each Custom Index comprising the Basket of Custom Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the level for each such Custom Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of each such Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, any of the "Strike Date", "Knock-in Determination Day", "Knock-out Determination Day", "Observation Date" or the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (ii) in the case of Custom Index Linked Securities relating to a single Custom Index, an amount equal to the level of the Custom Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, any of the "Strike Date", "Knock-in Determination Day", "Knock-out Determination Day", "Observation Date" or the "Valuation Date" or (b) if Averaging is specified in the applicable Final Terms, an "Averaging Date";

"Specified Maximum Days of Disruption" means the number of days specified in the applicable Final Terms, or if not so specified, 20 Scheduled Custom Index Business Days;

"Strike Date" means the date(s) specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Linked Condition 8(B) (*Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption*) below shall apply;

"Strike Price" means unless otherwise specified in the applicable Final Terms, and subject as referred to in "Strike Date" above:

- (i) in the case of Custom Index Linked Securities relating to a single Custom Index, an amount equal to the level of the Custom Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date; and
- (ii) in the case of Custom Index Linked Securities relating to a Basket of Custom Indices and in respect of each Custom Index comprising the Basket, an amount equal to the level of each such Custom Index published by the relevant Index Sponsor, in each case as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of such Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date multiplied by the relevant Weighting.

"Successor Custom Index Sponsor" means, in relation to a Successor Custom Index, the index sponsor thereof;

"Valid Date" means a Scheduled Custom Index Business Day that is not a Disrupted Day and on which another Averaging Date or another Observation Date does not occur;

"Valuation Date" means, (i) in respect of the Notes and Certificates, the Interest Valuation Date and/or Automatic Early Redemption Valuation Date and/or Redemption Valuation Date, as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day and (ii) in respect of the Warrants, the first Scheduled Trading Day following the Actual Exercise Date of the relevant Warrant, unless, in the case of either (i) or (ii), in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Linked Condition 8(B) (*Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption*) shall apply; and

"Valuation Time" means, unless otherwise specified in the applicable Final Terms, the time by reference to which the Index Sponsor determines the level of the Custom Index in its sole and absolute discretion.

ANNEX 2

ADDITIONAL TERMS AND CONDITIONS FOR SHARE LINKED SECURITIES

*The terms and conditions applicable to Share Linked Securities shall comprise, in the case of Notes, the Terms and Conditions of the Notes (as set out under the heading "Terms and Conditions of the Notes" above and, for the avoidance of doubt, not including Annexes 1 to 10), in the case of Warrants, the Terms and Conditions of the Warrants (as set out under the heading "Terms and Conditions of the Warrants" above and, for the avoidance of doubt, not including Annexes 1 to 8 or 10), and, in the case of Certificates, the Terms and Conditions of the Certificates (as set out under the heading "Terms and Conditions of the Certificates" above and, for the avoidance of doubt, not including Annexes 1 to 10) as applicable (the "Conditions") and the additional Terms and Conditions set out below (the "**Share Linked Conditions**") and any other additional Terms and Conditions that may be specified in the Final Terms (the "**Additional Terms and Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Conditions and the Share Linked Conditions, the Share Linked Conditions shall prevail. In the event of any inconsistency between (i) the Conditions and/or the Share Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1. **Market Disruption**

"Market Disruption Event" means, in relation to Securities relating to a single Share or a Basket of Shares, in respect of a Share, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent in its sole and absolute discretion, determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, an Automatic Early Redemption Valuation Date or a Valuation Date, as the case may be.

2. **Potential Adjustment Events and Extraordinary Events**

(a) **Potential Adjustment Events**

"Potential Adjustment Event" means any of the following:

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

- (iv) a call by a Basket Company or Share Company, as the case may be, in respect of relevant Shares that are not fully paid;
- (v) a repurchase by the Basket Company or its subsidiaries or Share Company or its subsidiaries, as the case may be, of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of a Basket Company or Share Company, as the case may be, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Basket Company or Share Company, as the case may be, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, certificates, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (vii) any other event which may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

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

Following the declaration by the Basket Company or Share Company, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (i) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case with respect to Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Share Linked Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (ii) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, stating the adjustment to any Relevant Asset and/or the Entitlement (in each case with respect to Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Share Linked Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

- (b) Extraordinary Events
 - (A) The occurrence of any of De-Listing, Insolvency, Merger Event, Nationalisation, Tender Offer (unless Tender Offer is specified as not applicable in the applicable Final Terms), or, if specified as applicable in the applicable Final Terms,

Illiquidity, Listing Change or Listing Suspension, as the case may be, shall be deemed to be an "**Extraordinary Event**", the consequences of which are set out in Share Linked Condition 2(b)(B) below.

"**De-Listing**" means, in respect of any relevant Shares, the Exchange announces that pursuant to the rules of such Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on (i) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or (ii) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a Member State of the European Union).

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

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

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

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

"**Merger Event**" means, in respect of any relevant Shares, any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Basket Company or Share Company, as the case may be, with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Basket Company or Share Company, as the case may be, that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or

controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Basket Company or its subsidiaries or the Share Company or its subsidiaries, as the case may be, with or into another entity in which the Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the relevant Extraordinary Event Effective Date is on or before (a) in the case of Cash Settled Notes, Cash Settled Warrants or Cash Settled Certificates ("**Cash Settled Securities**"), the last occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date or (b) in the case of Physical Delivery Notes, the relevant Maturity Date, in the case of Physical Delivery Warrants, the relevant Settlement Date, and in the case of Physical Delivery Certificates, the relevant Redemption Date.

"**Nationalisation**" means that all the Shares or all or substantially all the assets of the Basket Company or Share Company, as the case may be, are nationalised, expropriated or are otherwise transferred to any governmental agency, authority, entity or instrumentality thereof.

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

(B) Consequences of the occurrence of an Extraordinary Event

If an Extraordinary Event occurs in relation to a Share, the Calculation Agent shall (x) to the extent that an equivalent adjustment has been made in respect of the relevant Swap Agreement, take the action described in (i), (vi) and/or (vii) (if applicable), and (y) in the event that the circumstances giving rise to such Extraordinary Event result in an Additional Termination Event occurring in respect of the relevant Swap Agreement, take the action described in either (ii), (iii), (iv) or (v) (as applicable):

- (i) determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case with respect to Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Share Linked Conditions and/or the applicable Final Terms to account for the relevant Extraordinary Event, and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event made by any options exchange to options on the Shares traded on that options exchange; or
- (ii) in the case of Share Linked Securities relating to a Basket of Shares, notify the Issuer and the Issuer will redeem the Notes or Certificates, as applicable, in part by giving notice to Noteholders in accordance with Condition 18 of the Notes or to the Certificateholders in accordance with Condition 19 of the Certificates, or, as the case may be, cancel part of the Warrants by giving notice to the Warrantholders in accordance with Condition 17 of the Warrants. If the Securities

are so redeemed in part the portion of each Note or Certificate (the "**Redeemed Amount**") or, as the case may be, the portion of each Warrant (the "**Cancelled Amount**") representing the affected Share(s) shall be redeemed and the Issuer will pay to each Holder of Securities in respect of each Security held by him an amount equal to the fair market value of the Redeemed Amount or Cancelled Amount, taking into account the Extraordinary Event, less the cost to the Swap Counterparty and/or its Affiliates of unwinding the relevant Swap Agreement (if any) and any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion and the Calculation Agent shall determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case with respect to Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Share Linked Conditions and/or the applicable Final Terms to account for such redemption in part.

For the avoidance of doubt the remaining part of each Security after such redemption or cancellation, as the case may be, and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable;

- (iii) in the case of Notes and Certificates only, unless Delayed Redemption on Occurrence of Extraordinary Event is specified as being applicable in the applicable Final Terms, notify the Issuer and the Issuer shall, on giving notice to Noteholders in accordance with Condition 18 of the Notes or to the Certificateholders in accordance with Condition 19 of the Certificates, as applicable, redeem all but not some only of the Notes or Certificates, as applicable, each such Note or Certificate being redeemed by payment of an amount equal to the fair market value of a Note or Certificate, as applicable, taking into account the relevant Extraordinary Event, less the cost to the Swap Counterparty and/or its Affiliates of unwinding the relevant Swap Agreement (if any) and any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 18 of the Notes or to the Certificateholders in accordance with Condition 19 of the Certificates, as applicable;
- (iv) in the case of Notes and Certificates only, if Delayed Redemption on Occurrence of Extraordinary Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Note or Certificate, as applicable, taking into account the relevant Extraordinary Event, as the case may be, less the cost to the Swap Counterparty and/or its Affiliates of the relevant Swap Agreement and unwinding any underlying related hedging arrangements (the "**Calculated Amount**") as soon as practicable following the occurrence of the Extraordinary Event (the "**Calculated Amount Determination Date**") and shall notify the Issuer and on the Maturity Date (in the case of Notes) or on the Redemption Date (in the case of Certificates) the Issuer shall redeem each Note or Certificate, as applicable, at an amount calculated by the Calculation Agent equal to (x) the Calculated Amount plus interest accrued from and including the Calculated Amount Determination Date to but excluding the Maturity Date (in the case of Notes) or the Redemption Date (in the case of Certificates) at a rate equal to zero per cent. (unless otherwise specified in the applicable Final Terms) or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, its

nominal amount (in the case of Notes) or its notional amount (in the case of Certificates);

- (v) in the case of Warrants only, notify the Issuer and the Issuer shall cancel the Warrants by giving notice to the Warrantholders in accordance with Condition 17 of the Warrants. If the Warrants are so cancelled the Issuer will pay an amount to each holder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be the fair market value of a Warrant or a Unit, as the case may be, taking into account the relevant Extraordinary Event, less the cost to the Swap Counterparty and/or its Affiliates of the relevant Swap Agreement and unwinding any underlying related hedging arrangements plus, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 17 of the Warrants;
- (vi) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as is selected in respect of the Swap Agreement, if any (the "**Options Exchange**"), make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case with respect to Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Share Linked Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case with respect to Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Share Linked Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or
- (vii) on or after the relevant Extraordinary Event Effective Date the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each, a "**Substitute Share**") for each Share (each, an "**Affected Share**") of each Basket Company (each, an "**Affected Basket Company**") which is affected by such Extraordinary Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares, a "**Share Company**" or a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Share Linked Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

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

where:

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

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

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

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

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

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

- (a) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and the relevant share is not already included in the Basket of Shares, the relevant share shall be an ordinary share of the entity or person (other than the Affected Basket Company) involved in the Merger Event or the making of the Tender Offer, that is, or that as of the relevant Extraordinary Event Effective Date is promptly scheduled to be, (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any Member State of the European Union) and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations; or
- (b) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and a share would otherwise satisfy the criteria set out in paragraph (a) above, but such share is already included in the Basket of Shares, or in the case of an Extraordinary Event other than a Merger Event or a Tender Offer:
 - (i) the relevant issuer of the share shall belong to the same economic sector as the Affected Basket Company; and
 - (ii) the relevant issuer of the share shall have a comparable market capitalisation, international standing and exposure as the Affected Basket Company in respect of the Affected Share.
- (C) Notwithstanding any other provision of this Share Linked Condition 2, in exercising its discretion in respect of Share Linked Condition 2(B) above, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar determination or selection or any other adjustment or calculation made in respect of the relevant Swap Agreement in relation to the relevant Extraordinary Event.
- (D) In determining to take a particular action as a result of an Extraordinary Event, the Calculation Agent is under no duty to consider the interests of Holders of Securities or any other person. In making any determination as to which action to take following the occurrence of an Extraordinary Event, none of the Calculation Agent, the Issuer or the Swap Counterparty shall be responsible for any loss (including liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders of Securities or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

- (E) Upon the occurrence of an Extraordinary Event, if the Calculation Agent determines to take any action in respect thereof it shall give notice as soon as practicable to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, stating the occurrence of the Extraordinary Event giving details thereof and the action proposed to be taken in relation thereto, including, in the case of a Share Substitution, the identity of the Substitute Shares and the Substitution Date.

3. **Correction of Share Price**

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

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

- (a) If "**Knock-in Event**" is specified as applicable in the applicable Final Terms, then, unless otherwise specified in such Final Terms, payment and/or delivery, as applicable, under the relevant Securities subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.
- (b) If "**Knock-out Event**" is specified as applicable in the applicable Final Terms, then unless otherwise specified in such Final Terms payment and/or delivery, as applicable, under the relevant Securities subject to a Knock-out Event shall be conditional upon the non-occurrence of such Knock-out Event.
- (c) If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if on any Knock-in Determination Day or Knock-out Determination Day at any time during the one hour period that begins or ends at the Valuation Time the price of the Share triggers the Knock-in Price or the Knock-out Price, a Trading Disruption, Exchange Disruption or Early Closure occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred; provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the price of the Share as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date".
- (d) If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one hour period that begins or ends at the time on which the price of the Share triggers the Knock-in Price or the Knock-out Price, a Trading Disruption, Exchange Disruption or Early Closure occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred, provided that if, by operation of this provision no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination period, the Knock-in Period Ending Date or Knock-out Period Ending Date

shall be treated as a Valuation Date and the Calculation Agent shall determine the price of the Share as at the Knock-in Valuation Time or Knock-out Valuation time in accordance with the provisions contained in the definition of "Valuation Date".

Definitions

Unless otherwise specified in the applicable Final Terms:

"Knock-in Determination Day" means the date(s) specified as such in the applicable Final Terms, or each Scheduled Trading Day during the Knock-in Determination Period.

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

"Knock-in Event" means:

- (a) in respect of a single Share, that the price of the Share determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is; and
- (b) in respect of a Basket of Shares, that the amount determined by the Calculation Agent equal to the sum of the values for each Share of each Basket Company as the product of (x) the price of such Share as determined by the Calculation Agent as of the Knock-in Valuation Time on the relevant Exchange on any Knock-in Determination Day and (y) the Weighting is,
 - (a) (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-in Price or (b) "within" the Knock-in Range Price, in each case as specified in the applicable Final Terms.

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

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

"Knock-in Price" means, (a) in case of a single Share, the price per Share and (b) in the case of a Basket of Shares, the price, in each case specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Share Linked Condition 1 and Share Linked Condition 2 above and as set forth in this Condition 5.

"Knock-in Range Price" means the range of prices specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Share Linked Condition 1 and Share Linked Condition 2.

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

"Knock-out Event" means

- (a) in case of a single Share, that the price of the Share determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is; and
 - (b) in the case of a Basket of Shares, the amount determined by the Calculation Agent equal to the sum of the values for each Share as the product of (x) the price of such Share as determined by the Calculation Agent as of the Knock-in Valuation Time on the relevant Exchange on any Knock-in Determination Day and (y) the relevant Weighting is,
- (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-out Price as specified in the applicable Final Terms;

"Knock-out Determination Day" means the date(s) specified as such in the applicable Final Terms, or each Scheduled Trading Day during the Knock-out Determination Period.

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

"Knock-out Event" means:

- (a) in respect of a single Share, that the price of the Share determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is; and
 - (b) in respect of a basket of Shares, the amount determined by the Calculation Agent equal to the sum of the values for each Share as the product of (x) the price of such Share as determined by the Calculation Agent as of the Knock-in Valuation Time on the relevant Exchange on any Knock-in Determination Day and (y) the relevant Weighting is,
- (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-out Price as specified in the applicable Final Terms;

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

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

"Knock-out Price" means (a) in the case of a single Share, the price per Share or (b) in the case of a Basket of Shares, the amount, in each case specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Share Linked Condition 1 and Share Linked Condition 2 above and in this Conditions.

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

5. **Automatic Early Redemption Event**

Share Linked Condition 5 applies to Notes and Certificates.

If **"Automatic Early Redemption Event"** is specified as applicable in the Final Terms to, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes or Certificates, as applicable, will be automatically redeemed in whole, but not in part, on the Automatic Early

Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Early Redemption Amount payable by the Issuer on such date upon redemption of each nominal amount of Notes or notional amount of Certificates, as applicable, equal to the Calculation Amount shall be an amount equal to the relevant Automatic Early Redemption Amount.

"Automatic Early Redemption Amount" means (a) an amount in the Settlement Currency specified in the applicable Final Terms or if such amount is not specified, (b) the product of (i) the denomination of each Note or Certificate, as the case may be, and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

Definitions

Unless otherwise specified in the applicable Final Terms:

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

"Automatic Early Redemption Event" means:

- (i) in case of a single Share that the price of the Share determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on the Automatic Early Redemption Valuation Date is; and
- (ii) in the case of a Basket of Shares, the amount determined by the Calculation Agent equal to the sum of the values for each Share as the product of (x) the price of such Share as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on the Automatic Early Redemption Valuation Date and (y) the relevant Weighting is,

(i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Automatic Early Redemption Price as specified in the applicable Final Terms.

"Automatic Early Redemption Price" means the price per Share specified as such or otherwise determined in the applicable Final Terms, subject to adjustment as provided in Share Linked Condition 2 above.

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

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

6. **Definitions**

Unless otherwise specified in the applicable Final Terms:

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

"Averaging Date" means each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading

Day unless, in the opinion of the Calculation Agent any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (A) If "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision no Averaging Date would occur, then the provisions of the definition of "**Valuation Date**" will apply for purposes of determining the relevant level, price or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
- (B) if "**Postponement**" is specified as applying in the applicable Final Terms, then the provisions of the definition of "**Valuation Date**" will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
- (C) if "**Modified Postponement**" is specified as applying in the applicable Final Terms then:
 - (i) where the Securities are Share Linked Securities relating to a single share, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether such Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a)(ii) of the definition of "**Valuation Date**" below;
 - (ii) where the Securities are Share Linked Securities relating to a Basket of Shares, the Averaging Date for each Share not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the "**Scheduled Averaging Date**") and the Averaging Date for each Share affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Share. If the first succeeding Valid Date in relation to such Share has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) that such Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date) in respect of such Share, and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (b)(ii) of the definition of "**Valuation Date**" below; and
 - (iii) for the purposes of these Share Linked Conditions, "**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not occur.

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

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

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

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

"Disrupted Day" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"Early Closure" means the closure on any Exchange Business Day of relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

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

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

"Exchange Business Day (All Shares Basis)" means, in respect of a Basket of Shares, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Business Day (Per Share Basis)" means, in respect of a Share, any Scheduled Trading Day on which the relevant Exchange and Related Exchange in respect of such Share is open for trading during its respective regular trading session, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time.

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

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

transactions in, or obtain market values for, futures or options contracts relating to the relevant Share on any relevant Related Exchange.

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

"Observation Date" means each date specified as an Observation Date in the applicable Final Terms, or if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of "Averaging Date" shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date".

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

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

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

"Scheduled Closing Time" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours subject as provided in "Valuation Time" below.

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

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

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

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

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

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

"Screen Page" means the page specified in the applicable Final Terms, or any successor page or service thereto.

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

"Settlement Price" means, unless otherwise specified in the applicable Final Terms and subject as referred to in "Strike Date," "Averaging Date," "Observation Date" or "Valuation Date" as the case may be:

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

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

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

"Shares" and **"Share"** mean in the case of an issue of Securities relating to a Basket of Shares, each share and, in the case of an issue of Securities relating to a single Share, the share, specified in the applicable Final Terms and related expressions shall be construed accordingly.

"Share Company" means, in the case of an issue of Securities relating to a single Share, the company that has issued such Share.

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

"Specified Maximum Days of Disruption" means eight (8) Scheduled Trading Days or such other number of Scheduled Trading Days specified in the applicable Final Terms.

"Strike Date" means the Strike Date specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (A) in the case of Share Linked Securities relating to a single Share, the Strike Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the relevant price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the relevant price in accordance with its good faith estimate of the relevant price as of the Valuation Time on that the last such consecutive Scheduled Trading Day; or
- (B) in the case of Share Linked Securities relating to a Basket of Shares, the Strike Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Strike Date, and the Strike Date for each Share affected (each an **"Affected Item"**) by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is

not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the relevant price using, in relation to the Affected Item, the level or value as applicable, determined in the manner set out in the applicable Final Terms, and, in the case of a Share, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the value for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day and otherwise in accordance with the above provisions.

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

"Valuation Date" means (i) in respect of the Notes and Certificates, the Interest Valuation Date and/or Redemption Valuation Date, as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day and (ii) in respect of the Warrants, the first Scheduled Trading Day following the Actual Exercise Date of the relevant Warrant unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (A) in the case of Share Linked Securities relating to a single Share, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the Settlement Price in accordance with its good faith estimate of the Settlement Price as of the Valuation Time on that the last such consecutive Scheduled Trading Day; or
- (B) in the case of Share Linked Securities relating to a Basket of Shares, the Valuation Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Share affected (each an **"Affected Item"**) by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Price using, in relation to the Affected Item, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the value for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day and otherwise in accordance with the above provisions.

"Valuation Time" means Interest Valuation Time or the Valuation Time, as the case may be, specified in the applicable Final Terms or, if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date or Averaging Date, as the

case may be, in relation to each Share to be valued provided that if the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Interest Valuation time or the Valuation Time, as the case may be, shall be such actual closing time.

7. **GDR/ADR**

Share Linked Conditions 8 to 12 (inclusive) apply where "GDR/ADR" is specified in the applicable Final Terms.

8. **Definitions relating to GDR/ADR**

"**ADR**" means an American Depositary Receipt;

"**Conversion Event**" means any event which in the sole and absolute determination of the Calculation Agent results (or will result) in the GDRs and/or ADRs being converted into Underlying Shares or any other listed notes of the issuer of the Underlying Shares;

"**GDR**" means a Global Depositary Receipt; and

"**Underlying Shares**" means the shares underlying an ADR or GDR, as the case may be.

9. **General**

Save where specifically provided under the Final Terms, all references in the Conditions and the Share Linked Conditions to the "Shares" shall be deemed to be to the GDRs or ADRs, as applicable and/or the Underlying Shares, references to the "Share Company" or "Basket Company", as applicable, shall be deemed to be to the issuer of the GDRs or ADRs, as the case may be, and the issuer of the Underlying Shares and references to the "Exchange" shall be deemed to be to the exchange or quotation system on which the GDRs or ADRs, as the case may be, are listed and the exchange or quotation system on which the Underlying Shares are listed, and with such additional or alternative modifications as the Calculation Agent may consider necessary or otherwise desirable provided that any such amendment is not materially prejudicial to the Holders of Securities.

10. **Share Event**

Upon the occurrence of a Share Event, the Calculation Agent shall (x) to the extent that an equivalent adjustment in respect of the relevant Swap Agreement has been made, take the action described in Share Linked Condition 2(b)(B)(i), (vi) and/or (vii) (if applicable), and (y) in the event that the circumstances giving rise to such Share Event result in an Additional Termination Event occurring in respect of the relevant Swap Agreement, take the action described in either Share Linked Condition 2(b)(B)(ii), (iii), (iv) or (v) (as applicable). The Calculation Agent shall notify the Issuer and the Issuer shall give notice as soon as practicable to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, stating the occurrence of the Share Event, giving details thereof and the action proposed to be taken in relation thereto.

"**Share Event**" means each of the following events:

- (a) written instructions have been given by the issuer to the depositary of the Underlying Shares to withdraw or surrender the Underlying Shares; or
- (b) the termination of the deposit agreement in respect of the Underlying Shares.

If an event constitutes both a Share Event and an Additional Disruption Event or Optional Additional Disruption Event (if specified as applicable in the applicable Final Terms), the

Calculation Agent shall determine which of these events such event constitutes in accordance with any equivalent determination made in respect of the relevant Swap Agreement.

In determining to take a particular action as a result of a Share Event, the Calculation Agent is under no duty to consider the interests of Holders of Securities or any other person. In making any determination as to which action to take following the occurrence of a Share Event, none of the Calculation Agent, the Issuer or the Swap Counterparty shall be responsible for any loss (including liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders of Securities or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

11. Potential Adjustment Event

The following additional event shall be deemed added to the end of paragraph (i) of the definition of Potential Adjustment Event in Share Linked Condition 2(a):

"and/or a distribution in respect of the Underlying Shares of property other than cash, shares or rights relating to any Underlying Shares to the holder of the Underlying Shares."

12. Extraordinary Events

The following additional events shall be deemed added to the first paragraph of Share Linked Condition 2(b)(A) after the words "as not applicable in the applicable Final Terms"):

"Conversion Event".

ANNEX 3

ADDITIONAL TERMS AND CONDITIONS FOR DEBT LINKED SECURITIES

The terms and conditions applicable to Debt Linked Securities shall comprise, in the case of Notes, the Terms and Conditions of the Notes (as set out under the heading "Terms and Conditions of the Notes" above and, for the avoidance of doubt, not including Annexes 1 to 10), in the case of Warrants, the Terms and Conditions of the Warrants (as set out under the heading "Terms and Conditions of the Warrants" above and, for the avoidance of doubt, not including Annexes 1 to 8 or 10), and, in the case of Certificates, the Terms and Conditions of the Certificates (as set out under the heading "Terms and Conditions of the Certificates" above and, for the avoidance of doubt, not including Annexes 1 to 10) as applicable (the "Conditions") and the additional Terms and Conditions set out below (the "Debt Linked Conditions") and any other additional Terms and Conditions that may be specified in the Final Terms (the "Additional Terms and Conditions"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Conditions and the Debt Linked Conditions, the Debt Linked Conditions shall prevail. In the event of any inconsistency between (i) the Conditions and/or the Debt Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1. Settlement Price

"Settlement Price" means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security (or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be), subject as referred to in "Valuation Date" or "Averaging Date" above:

- (i) in the case of Debt Linked Securities relating to a basket of Debt Securities, an amount equal to the sum of the values calculated for each Debt Security at the bid price for such Debt Security as determined by or on behalf of the Calculation Agent by reference to the bid price for such Debt Security appearing on the Relevant Screen Page at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if such price is not available, the arithmetic mean of the bid prices for such Debt Security at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, as received by it from two or more market-makers (as selected by the Calculation Agent) in such Debt Security, such bid prices to be expressed as a percentage of the nominal amount of such Debt Security, multiplied by the relevant Weighting; and
- (ii) in the case of Debt Linked Securities relating to a single Debt Security, an amount equal to the bid price for the Debt Security as determined by or on behalf of the Calculation Agent by reference to the bid price for such Debt Security appearing on the Relevant Screen Page at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if such price is not available, the arithmetic mean of the bid prices for such Debt Security at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, as received by it from two or more market-makers (as selected by the Calculation Agent) in such Debt Security, such bid prices to be expressed as a percentage of the nominal amount of the Debt Security.

2. Market Disruption

"Market Disruption Event" shall mean the suspension of or limitation imposed on trading either on any exchange on which the Debt Securities or any of them (in the case of a basket of Debt Securities) are traded or on any exchange on which options contracts or futures contracts with respect to the Debt Securities or any of them (in the case of a basket of Debt Securities) are traded if, in the determination of the Calculation Agent, such suspension or limitation is material.

The Calculation Agent shall give notice as soon as practicable to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, that a Market Disruption Event has occurred.

3. **Correction of Debt Security Price**

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment in respect of the Notes or Certificates, or of a Cash Settlement Amount in respect of the Warrants, if the price of the relevant Debt Security published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities, is subsequently corrected and the correction published by the relevant exchange within 30 days of the original publication, the price to be used shall be the price of the relevant Debt Security as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment in respect of the Notes or Certificates, or the relevant Settlement Date in respect of the Warrants will be disregarded by the Calculation Agent for the purposes of determining the relevant amount in relation to the Notes or Certificates, as applicable, and the Cash Settlement Amount in relation to the Warrants.

ANNEX 4

ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY LINKED SECURITIES

The terms and conditions applicable to Commodity Linked Securities shall comprise, in the case of Notes, the Terms and Conditions of the Notes (as set out under the heading "Terms and Conditions of the Notes" above and, for the avoidance of doubt, not including Annexes 1 to 10), in the case of Warrants, the Terms and Conditions of the Warrants (as set out under the heading "Terms and Conditions of the Warrants" above and, for the avoidance of doubt, not including Annexes 1 to 8 or 10), and, in the case of Certificates, the Terms and Conditions of the Certificates (as set out under the heading "Terms and Conditions of the Certificates" above and, for the avoidance of doubt, not including Annexes 1 to 10) as applicable (the "Conditions") and the additional Terms and Conditions set out below (the "Commodity Linked Conditions") and any other additional Terms and Conditions that may be specified in the Final Terms (the "Additional Terms and Conditions"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Conditions and the Commodity Linked Conditions, the Commodity Linked Conditions shall prevail. In the event of any inconsistency between (i) the Conditions and/or the Commodity Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1. **Market Disruption**

"Market Disruption Event" means, in respect of a relevant Commodity or Commodity Index and as determined by the Calculation Agent, the occurrence or existence of:

- (A) in the case of all Commodities and each Commodity Index, a Price Source Disruption, Trading Disruption, Disappearance of Commodity Reference Price; and in addition
- (B) in the case of each Commodity Index and all Commodities other than Gold, Silver, Platinum or Palladium, a Material Change in Formula, Material Change in Content and/or Tax Disruption; and in addition
- (C) in the case of a Commodity Index, an Index Component Disruption Event.

The Calculation Agent shall, as soon as practicable, notify the Issuer and the relevant Agent if it has determined that a Market Disruption Event has occurred and the action proposed to be taken in relation thereto and such Agent shall make available for inspection by Holders of Securities copies of any such determinations.

2. **Consequences of a Market Disruption Event and Disruption Fallbacks**

2.1 Upon a Market Disruption Event occurring or continuing on any Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published by the Price Source), the Calculation Agent shall (a) to the extent that an equivalent adjustment, calculation or substitution, as the case may be, has been made in respect of the relevant Swap Agreement, take the action described in (i) and/or (ii) below or (b) in the event that the circumstances giving rise to such Market Disruption Event result in an Additional Termination Event occurring in respect of the relevant Swap Agreement, take the action set out in (iii) below:

- (i) the Calculation Agent shall determine if such event has a material effect on the Securities and, if so, shall calculate the relevant amount payable in respect of the Notes or Certificates, or shall calculate the Cash Settlement Amount and/or make any other relevant calculation in respect of the Warrants using, in lieu of a published price for that Commodity or Commodity Index, as the case may be, the price for that Commodity or Commodity Index, as determined by the Calculation Agent using the Commodity Fallback Value;

- (ii) the Calculation Agent may substitute the relevant Commodity or Index Component with a Commodity or Index Component selected by it in accordance with the criteria set out below (each, a "**Substitute Commodity**" or "**Substitute Index Component**"), as the case may be, for each Commodity or Index Component (each, an "**Affected Commodity**" or "**Affected Index Component**") which is affected by the Market Disruption Event and the Substitute Commodity or Substitute Index Component, as the case may be, will be deemed to be a "Commodity" or "Index Component", as the case may be, for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of the Weighting and/or any of the other terms of the terms and conditions of the Notes, the terms and conditions of the Warrants or the terms and conditions of the Certificates as applicable, and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Notes or Certificates, or the Cash Settlement Amount in respect of Warrants, as the case may be, was to be determined by reference to the initial price of the Commodity or the Index Component, as the case may be, the initial price of each Substitute Commodity or Substitute Index Component, as the case may be, will be determined by the Calculation Agent in its sole and absolute discretion.

In order to be selected as a Substitute Commodity, the Substitute Commodity shall be valued on the basis of a futures contract on similar terms to, with a delivery date corresponding with and relating to the same Commodity as the Affected Commodity. In order to be selected as a Substitute Index Component, the Substitute Index Component shall be an alternative futures contract or commodity index relating to a futures contract on similar terms to the Affected Index Component.

Such substitution and the relevant adjustment(s) will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in its sole and absolute discretion which may, but need not, be the relevant date of the Market Disruption Event. Such substitution will be notified to the Holders of Securities by the Calculation Agent as soon as practicable after the Substitution Date in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable.

- (iii) the Calculation Agent may give notice to the Issuer and the Issuer shall, on giving notice to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable, redeem or cancel, as applicable, all but not some only of the Securities, each Security being redeemed or cancelled, as applicable, by payment of an amount equal to the fair market value of such Security, less the cost to the Swap Counterparty of unwinding the relevant Swap Agreement and any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payment shall be made in such manner as shall be notified to the Holders of Securities in accordance with Condition 18 of the Notes Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable;

2.2 General

- (A) Notwithstanding any other provision of this Commodity Linked Condition 2, in exercising its discretion in respect of Commodity Linked Condition 2.1 above, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar determination or selection or any other

adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Market Disruption Event, as the case may be.

- (B) In determining to take a particular action as a result of a Market Disruption Event, the Calculation Agent is under no duty to consider the interests of Holders of Securities or any other person. In making any determination as to which action to take following the occurrence of a Market Disruption Event, none of the Calculation Agent, the Issuer or the Swap Counterparty shall be responsible for any loss (including liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders of Securities or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

3. Adjustment to a Commodity Index

3.1 Successor Index Sponsor Calculates and Reports a Commodity Index

If a relevant Commodity Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent, or (b) replaced by a successor commodity index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Commodity Index, then in each case that commodity index (the "**Successor Commodity Index**") will be deemed to be the Commodity Index.

3.2 Modification and Cessation of Calculation of a Commodity Index

If (a) on or prior to the last Averaging Date, the last Observation Date, the Final Interest Pricing Date or the Final Pricing Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Commodity Index or in any other way materially modifies that Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent contracts or commodities and other routine events) (a "**Commodity Index Modification**"), or permanently cancels a relevant Commodity Index and no Successor Commodity Index exists (a "**Commodity Index Cancellation**"), or (b) on any Averaging Date, Observation Date, Interest Pricing Date or other Pricing Date, the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Commodity Index (a "**Commodity Index Disruption**") and, together with a Commodity Index Modification and a Commodity Index Cancellation, each a "**Commodity Index Adjustment Event**"), then:

- (a) the Calculation Agent shall determine if such Commodity Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the Relevant Price using, in lieu of a published level for that Commodity Index, the Commodity Fallback Value; or
- (b) the Calculation Agent may require the Issuer to cancel or redeem the Securities, as applicable, by giving notice to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable. If the Securities are so cancelled or redeemed, the Issuer will pay an amount to each Holder in respect of each Security held by such Holder being cancelled or redeemed the fair market value of such Security, taking into account the Commodity Index Adjustment Event, less the cost to the Swap Counterparty and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute

discretion. Payments will be made in such manner as shall be notified to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable.

3.3 General

- (A) Notwithstanding any other provision of this Commodity Linked Condition 3, in exercising its discretion in respect of Commodity Linked Condition 3.2 above, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar determination or selection or any other adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Market Disruption Event, as the case may be.
- (B) In determining to take a particular action as a result of a Commodity Index Adjustment Event, the Calculation Agent is under no duty to consider the interests of Holders of Securities or any other person. In making any determination as to which action to take following the occurrence of a Commodity Index Adjustment Event, none of the Calculation Agent, the Issuer or the Swap Counterparty shall be responsible for any loss (including liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders of Securities or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

4. Correction of Commodity Reference Price

With the exception of any corrections published after the day which is three Commodity Business Days prior to, in the case of the Notes or Certificates, as applicable, the due date for any payment under such Notes or Certificates, or, in the case of the Warrants, the due date for any payment of a Cash Settlement Amount calculated by reference to a Commodity Reference Price, if the Commodity Reference Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction published by the relevant Exchange or any other person responsible for the publication or announcement of the Commodity Reference Price within 30 calendar days of the original publication, the price to be used shall be the price of the relevant Commodity as so corrected. Corrections published after the day which is three Commodity Business Days prior to, in the case of the Notes or Certificates, as applicable, a due date for payment under such Notes or Certificates or, in the case of the Warrants, the relevant Settlement Date calculated by reference to a Commodity Reference Price will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

5. Knock-in Event and Knock-out Event

- (a) If "Knock-in Event" is specified as applicable in the Final Terms, then, unless otherwise specified in such Final Terms, any payment under the relevant Securities which is expressed in the applicable Final Terms to be subject to a Knock-in Event, shall be conditional upon the occurrence of such Knock-in Event.
- (b) If "Knock-out Event" is specified as applicable in the Final Terms, then, unless otherwise specified in such Final Terms, any payment under the relevant Securities which is expressed in the applicable Final Terms to be subject to a Knock-out Event, shall be conditional upon the non-occurrence of such Knock-out Event.
- (c) If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or

Knock-out Determination Day is a Commodity Disrupted Day, then, unless otherwise specified in the applicable Final Terms, such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

- (d) If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one-hour period that begins or ends at the time on which the Commodity Reference Price triggers the Knock-in Level or the Knock-out Level, a Market Disruption Event occurs or exists, then, unless otherwise specified in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.

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

Unless otherwise specified in the applicable Final Terms:

"Knock-in Determination Day" means the date(s) specified as such in the applicable Final Terms;

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

"Knock-in Event" means:

- (a) in the case of a single Commodity, that the Commodity Reference Price determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is; and
- (b) in the case of a Basket of Commodities, that the amount determined by the Calculation Agent equal to the sum of the values calculated for each Commodity as the product of (x) the Specified Price as of the Knock-in Valuation Time on any Knock-in Determination Day and (y) the relevant Weighting is,

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

"Knock-in Level" means:

- (a) in the case of a single Commodity, the Specified Price; or
- (b) in case of a Basket of Commodities, the price,

in each case specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Commodity Linked Condition 1 and Commodity Linked Condition 3;

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

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

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

"Knock-out Determination Day" means the date(s) specified as such in the applicable Final Terms;

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

"Knock-out Event" means:

- (a) in the case of a single Commodity, that the Specified Price determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is; and
- (b) in the case of a Basket of Commodities, that the amount determined by the Calculation Agent equal to the sum of the values for each Commodity as the product of (x) the Commodity Reference Price as of the Knock-out Valuation Time on any Knock-out Determination Day and (y) the relevant Weighting is,

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

"Knock-out Level" means:

- (a) in the case of a single Commodity, the Specified Price; or
- (b) in the case of a Basket of Commodities, the price,

in each case specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Commodity Linked Condition 1 and Commodity Linked Condition 3;

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

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

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

6. **Automatic Early Redemption**

Commodity Linked Condition 6 only applies to Notes and Certificates.

If **"Automatic Early Redemption Event"** is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes or Certificates, as applicable, will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and

the Early Redemption Amount payable by the Issuer on such date upon redemption of each such Note or Certificate, as applicable, shall be an amount equal to the relevant Automatic Early Redemption Amount.

Definitions relating to Automatic Early Redemption

Unless otherwise specified in the applicable Final Terms:

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

"Automatic Early Redemption Date" means each date specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms;

"Automatic Early Redemption Event" means that:

- (a) in the case of a single Commodity, the Specified Price; or
- (b) in the case of a basket of Commodities, the Basket Price is,

(A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Automatic Early Redemption Price as specified in the Final Terms;

"Automatic Early Redemption Price" means the price per Commodity specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set out in Commodity Linked Condition 3 above;

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

"Automatic Early Redemption Valuation Date" means each date specified as such in the applicable Final Terms; and

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

7. Definitions

Unless otherwise specified in the applicable Final Terms:

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

"Basket Component" means any Commodity or Commodity Index comprised in a Basket of Commodities;

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

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

"Commodity Business Day" means:

- (a) in respect of a Commodity or a Commodity Index:
 - (i) where the Commodity Reference Price for the relevant Commodity or Commodity Index is announced or published by an Exchange, any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which each relevant Exchange is open for trading during its regular trading sessions and notwithstanding any such Exchange closing prior to its scheduled closing time; or
 - (ii) a day in respect of which the relevant Price Source published (or, but for the occurrence of a Market Disruption Event, would have published), a price for the relevant Commodity or Commodity Index; or
- (b) in the case of a Basket of Commodities, a day on which the Commodity Reference Price in respect of all the Basket Components is scheduled to be published or announced in accordance with (i) or (ii) above;

"Commodity Disrupted Day" means any day on which a Market Disruption Event has occurred;

"Commodity Fallback Value" means:

- (i) in respect of any commodity, the arithmetic mean of the quotations provided to the Calculation Agent by each of the Reference Dealers as its Commodity Reference Price for the relevant Pricing Date of the relevant Commodity, provided that if only three such quotations are so provided, the Commodity Fallback Value shall be the Commodity Reference Price remaining after disregarding the Commodity Reference Prices having the highest and lowest values (or if more than one such highest or lowest, one only of them). If fewer than three such quotations are so provided, it will be deemed that such value cannot be determined and the relevant value shall be the good faith estimate of the Calculation Agent; or
- (ii) in respect of any Commodity Index or Basket of Commodities, the price for such Commodity Index or Basket of Commodities, as the case may be, in respect of the relevant Pricing Date determined by the Calculation Agent using the current applicable method of calculating such Commodity Index, or the method for determining the value of the Basket of Commodities, as the case may be, as set out in the Final Terms, using the price or level for each Index Component or Basket Component, as the case may be, determined as follows:
 - (a) in respect of each Index Component or Basket Component, as the case may be, which is not affected by the Market Disruption Event, the closing price or level or settlement price, as applicable, of such Index Component or Basket Component, as the case may be, on such Pricing Date; and
 - (b) in respect of each Index Component or Basket Component, as the case may be, which is affected by the Market Disruption

Event (each an "**Affected Item**"), the closing price or level or settlement price, as applicable, for such Affected Item on the first succeeding Pricing Date that is not a Commodity Disrupted Day, unless each of the number of consecutive Pricing Dates equal to the Specified Maximum Days of Disruption immediately following the Scheduled Pricing Date is a Commodity Disrupted Day. In that case, (i) the last such consecutive Pricing Date shall be deemed to be the Pricing Date for the Affected Item, notwithstanding the fact that such day is a Commodity Disrupted Day, and (ii) the Calculation Agent shall determine the price or level of such Affected Item in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the price of the Affected Item based upon the price at which the Swap Counterparty or any of its Affiliates is able to sell or otherwise realise any hedge positions in respect of the Securities during the period of five Commodity Business Days following the last such consecutive Pricing Date;

"Commodity Index" means each index specified as such in the applicable Final Terms or an index comprising one or more commodities, contracts for the future delivery of a commodity, indices linked to a single commodity or indices comprised of multiple commodities (each an "Index Component");

"Commodity Reference Price" means in respect of any Commodity or Commodity Index, the Commodity Reference Price specified in the applicable Final Terms;

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

- (a) if a date is, or a month and year are, specified in the applicable Final Terms, that date or that month and year;
- (b) if a Nearby Month is specified in the applicable Final Terms, the month of expiration of the relevant Futures Contract; and
- (c) if a method is specified in the applicable Final Terms for the purpose of determining the Delivery Date, the date or the month and year determined pursuant to that method;

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

"Disruption Fallback" means a source or method that may give rise to an alternative basis for determining the Relevant Price in respect of a specified Commodity Reference Price when a Market Disruption Event occurs or exists on a day that is a Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source). A Disruption Fallback is applicable if it is specified in the applicable Final Terms or, if no Disruption Fallback is specified, the Calculation Agent shall determine the relevant actions in accordance with Commodity Linked Condition 2 (*Consequences of a Market Disruption Event and Disruption Fallbacks*).

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

"Final Pricing Date" or "Final Interest Pricing Date" means the date specified as such in the applicable Final Terms or, if such date is not a Commodity Business Day, the immediately succeeding Commodity Business Day;

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

"Index Component Disruption Event" means:

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

"Initial Pricing Date" or "Initial Interest Pricing Date" means the date specified as such in the applicable Final Terms, or if such date is not a Commodity Business Day, the immediately succeeding Commodity Business Day;

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

"Material Change in Formula" means the occurrence since the Issue Date of a material change in the formula for or the method of calculating the relevant Commodity Reference Price or any Index Component used to calculate the Commodity Reference Price;

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

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

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

"Pricing Date" or **"Interest Pricing Date"** means each date specified in the Final Terms as being the Initial Pricing Date, an Averaging Date, an Observation Date, an Automatic Early Redemption Valuation Date or the Final Pricing Date or if any such date is not a Commodity Business Day, the immediately succeeding Commodity Business Day, unless, in the opinion of the Calculation Agent, such day is a day on which a Market Disruption Event has occurred or is continuing, in which case, where the Securities relate to:

- (a) a single Commodity, the relevant Pricing Date or Interest Pricing Date, as applicable, shall be the first succeeding Commodity Business Day that is not a Commodity Disrupted Day, unless each of the number of consecutive Commodity Business Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Pricing Date or Scheduled Interest Pricing Date, as the case may be, is a Commodity Disrupted Day. In that case, (i) the last such consecutive Commodity Business Day shall be deemed to be the Pricing Date or Interest Pricing Date, as the case may be, notwithstanding the fact that such day is a Commodity Disrupted Day, and (ii) the Calculation Agent shall determine the Relevant Price by applying the Commodity Fallback Value; or
- (b) a Commodity Index or Basket of Commodities, the Calculation Agent shall determine the Relevant Price for the Commodity Index or each Basket Component, as the case may be, using the Commodity Fallback Value;

References in these Commodity Linked Conditions to "Pricing Date" shall be deemed to apply mutatis mutandis in respect of any "Interest Pricing Date";

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

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

"Scheduled Pricing Date" or **"Scheduled Interest Pricing Date"** means any original date that, but for the occurrence of a Market Disruption Event, would have been a Pricing Date. References in these Commodity Linked Conditions to "Scheduled Pricing Date" shall be deemed to apply mutatis mutandis in respect of any "Scheduled Interest Pricing Date"

"Specified Maximum Days of Disruption" means five Commodity Business Days or such other number of Specified Maximum Days of Disruption specified in the applicable Final Terms;

"Specified Price" means, in respect of a Commodity Reference Price for a Commodity Index, (i) the closing or (ii) the daily official level of such Commodity Index and, in respect of any other Commodity Reference Price, any of the following prices (which must be a price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source), as specified in the applicable Final Terms (and, if applicable, as of the time so specified): (a) the high price; (b) the low price; (c) the average of the high price and the low price; (d) the closing price; (e) the opening price; (f) the bid price; (g) the asked price; (h) the average of the bid price and the asked price; (i) the settlement price; (j) the official settlement price; (k) the official price; (l) the morning fixing; (m) the afternoon fixing; (n) the spot price; or (o) any other price specified in the applicable Final Terms on the Pricing Date;

"Tax Disruption" means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the relevant Commodity or, in the case of a Commodity Index, any Index Component (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal

is to raise or lower the Relevant Price on the day that would otherwise be a Pricing Date from what it would have been without that imposition, change or removal; and

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

- (A) a suspension of the trading in the Futures Contract, Commodity or Index Component, as the case may be, on any Commodity Business Day shall be deemed to be material only if:
 - (1) all trading in the Futures Contract, Commodity or Index Component, as the case may be, is suspended for the entire Pricing Date; or
 - (2) all trading in the Futures Contract, Commodity or Index Component as the case may be, is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract, Commodity or Index Component, as the case may be, on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and
- (B) a limitation of trading in the relevant Futures Contract, Commodity or Index Component, as the case may be, on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the relevant Futures Contract, Commodity or Index Component, as the case may be, may fluctuate and the closing or settlement price of the relevant Futures Contract, Commodity or Index Component on such day is at the upper or lower limit of that range.

ANNEX 5

ADDITIONAL TERMS AND CONDITIONS FOR INFLATION INDEX LINKED SECURITIES

*The terms and conditions applicable to Inflation Linked Securities shall comprise, in the case of Notes, the Terms and Conditions of the Notes (as set out under the heading "Terms and Conditions of the Notes" above and, for the avoidance of doubt, not including Annexes 1 to 10), in the case of Warrants, the Terms and Conditions of the Warrants (as set out under the heading "Terms and Conditions of the Warrants" above and, for the avoidance of doubt, not including Annexes 1 to 8 or 10), and, in the case of Certificates, the Terms and Conditions of the Certificates (as set out under the heading "Terms and Conditions of the Certificates" above and, for the avoidance of doubt, not including Annexes 1 to 10) as applicable (the "**Conditions**") and the additional Terms and Conditions set out below (the "**Inflation Linked Conditions**") and any other additional Terms and Conditions that may be specified in the Final Terms (the "**Additional Terms and Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Conditions and the Inflation Linked Conditions set out below, the Inflation Linked Conditions shall prevail. In the event of any inconsistency between (i) the Conditions and/or the Inflation Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1. **Delay in Publication**

If the Calculation Agent determines that a Delayed Index Level Event in respect of an Index has occurred with respect to any Valuation Date, then the Relevant Level with respect to any Reference Month which is to be utilised in any calculation or determination to be made by the Calculation Agent with respect to such Valuation Date (the "**Substitute Index Level**") shall be determined by the Calculation Agent (subject to Inflation Linked Condition 3(ii) below), as follows:

- (i) if Related Bond is specified as applicable in the applicable Final Terms, the Calculation Agent shall determine the Substitute Index Level by reference to the corresponding index level determined under the terms and conditions of the Related Bond; or
- (ii) if (I) Related Bond is specified as not applicable in the applicable Final Terms, or (II) the Calculation Agent is not able to determine a Substitute Index Level under (i) above, the Calculation Agent shall determine the Substitute Index Level by reference to the following formula:

Substitute Index Level = Base Level x (Latest Level/Reference Level); or

- (iii) otherwise in accordance with any formula specified in the applicable Final Terms,

where:

"Base Level" means the level of the Index (excluding any "flash" estimates) published or announced by the Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

"Latest Level" means the level of the Index (excluding any "flash" estimates) published or announced by the Index Sponsor prior to the month in respect of which the Substitute Index Level is being determined.

"Reference Level" means the level of the Index (excluding any "flash" estimates) published or announced by the Index Sponsor in respect of the month that is 12 calendar months prior to the month in respect of the Latest Level.

The Calculation Agent shall notify the Issuer and the Issuer shall promptly give notice to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, of any Substitute Index Level.

If the Relevant Level is published or announced at any time on or after the relevant Cut-Off Date specified in the applicable Final Terms, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this Inflation Linked Condition 1 will be the definitive level for that Reference Month.

2. **Successor Index**

If the Calculation Agent determines that the level of an Index is not calculated and announced by the Index Sponsor for two consecutive months and/or the Index Sponsor announces that it will no longer continue to publish or announce the Index and/or the Index Sponsor cancels the Index (each of which, an "**Inflation Index Adjustment Event**") then the Calculation Agent shall determine a successor index (a "**Successor Index**") (in lieu of any previously applicable Index) for the purposes of the Securities as follows:

- (i) if Related Bond is specified as applicable in the applicable Final Terms, the Calculation Agent shall determine a "Successor Index" by reference to the corresponding successor index determined under the terms and conditions of the Related Bond;
- (ii) if (x) Related Bond is specified as not applicable in the Final Terms or (y) a Related Bond Redemption Event has occurred and Fallback Bond is specified as not applicable in the applicable Final Terms, the Index Sponsor announces that it will no longer publish or announce the Index but that it will be superseded by a replacement Index specified by the Index Sponsor, and the Calculation Agent determines that such replacement Index is calculated using the same or a substantially similar formula or method of calculation as used in the calculation of the Index, such replacement index shall be designated a "Successor Index";
- (iii) if no Successor Index has been deemed under (i) or (ii) the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Index should be; if between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, such index will be deemed the "Successor Index"; if three responses are received, and two or more leading independent dealers state the same index, such index will be deemed the "Successor Index"; if fewer than three responses are received by the Cut-Off Date the Calculation Agent will determine an appropriate alternative index, and such index will be deemed a "Successor Index"; or
- (iv) if the Calculation Agent determines that there is no appropriate alternative index, there will be deemed to be no Successor Index and an Index Cancellation will be deemed to have occurred.

For the avoidance of doubt, the Calculation Agent shall determine the date on which the Successor Index shall be deemed to replace the Index for the purposes of the Securities. Notwithstanding any other provision of this Inflation Linked Condition 2, in exercising its discretion hereunder, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar determination or selection or any other adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Inflation Index Adjustment Event.

Notice of the determination of a Successor Index, the effective date of the Successor Index or the occurrence of an Index Cancellation will be given to the Issuer by the Calculation Agent and the Issuer will give notice to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable.

3. Adjustments

(i) Successor Index

If a Successor Index is determined in accordance with Inflation Linked Condition 2, the Calculation Agent may make any adjustment or adjustments (without limitation) to any amount payable under the Securities and/or any other relevant term of the Securities as the Calculation Agent deems necessary. The Issuer shall give notice to the Holders of Securities of any such adjustment in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable.

(ii) Substitute Index Level

If the Calculation Agent determines a Substitute Index Level in accordance with Inflation Linked Condition 1, the Calculation Agent may make any adjustment or adjustments (without limitation) to (x) the Substitute Index Level determined in accordance with Index Linked Condition 1 and/or (y) any amount payable under the Securities and/or any other relevant term of the Securities, in each case, as the Calculation Agent deems necessary. The Issuer shall give notice to the Holders of Securities of any such adjustment in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable.

(iii) Index Level Adjustment Correction

(a) The first publication or announcement of the Relevant Level (disregarding estimates) by the Index Sponsor for any Reference Month shall be final and conclusive and, subject to Inflation Linked Condition 3(v)(II) below, later revisions to the level for such Reference Month will not be used in any calculations, save that in respect of the EUR-All Items-Revised Consumer Price Index, the ESP National- Revised Consumer Price Index (CPI) and the ESP-Harmonised-Revised Consumer Price Index HCPI, revisions to the Relevant Level which are published or announced up to and including the day that is two Business Days prior to any relevant Valuation Date will be valid and the revised Relevant Level for the relevant Reference Month will be deemed to be the final and conclusive Relevant Level for such Reference Month. The Issuer shall give notice to the Holders of Securities of any valid revision in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable.

(b) If, within 30 days of publication or at any time prior to a Valuation Date in respect of which a Relevant Level will be used in any calculation or determination in respect of such Valuation Date, the Calculation Agent determines that the Index Sponsor has corrected the Relevant Level to correct a manifest error, the Calculation Agent may make any adjustment to any amount payable under the Securities and/or any other relevant term of the Securities as the Calculation Agent deems appropriate as a result of such correction and/or determine the amount (if any) that is payable as a result of that correction. The Issuer shall give notice to the Holders of Securities of any such adjustment and/or amount in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable.

(c) If a Relevant Level is published or announced at any time after the Cut-Off Date in respect of a Valuation Date in respect of which a Substitute Index Level was determined, the Calculation Agent may either (A) determine that such Relevant Level shall not be used in any calculation or determination under the Securities and that the Substitute Index Level shall be deemed to be the definitive Relevant

Level for the relevant Reference Month, or (B) make any adjustment to any amount payable under the Securities and/or any other relevant term of the Securities as it deems appropriate as a result of the announcement or publication of the Relevant Level and/or determine the amount (if any) that is payable as a result of such publication or announcement. The Issuer shall give notice to the Holders of Securities of any determination in respect of (A) or (B), together with any adjustment or amount in respect thereof, in accordance with Condition 18, as applicable of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable.

(iv) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency (whether relating to its convertibility into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to any amount payable under the Securities, and/or any other relevant term of the Securities (including the date on which any amount is payable by the Issuer), the Calculation Agent may make such adjustment or adjustments to such amount and/or any other relevant term of the Securities as the Calculation Agent deems necessary. The Calculation Agent shall give notice to the Holders of Securities of any such adjustment in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable.

(v) Rebasing

If the Calculation Agent determines that the Index has been or will be rebased at any time, the Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the Relevant Level from the date of such rebasing; provided, however, that the Calculation Agent may make (A) if Related Bond is specified as applicable in the applicable Final Terms, any adjustments as are made pursuant to the terms and conditions of the Related Bond, if any, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as before the rebasing, and/or (B) if Related Bond is specified as not applicable in the applicable Final Terms or a Related Bond Redemption Event has occurred, the Calculation Agent may make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased and in each case the Calculation Agent may make any adjustment(s) to any amount payable under the Securities and/or any other term of the Securities as the Calculation Agent may deem necessary. If the Calculation Agent determines that neither (A) nor (B) above would produce a commercially reasonable result, the Calculation Agent may notify the Issuer and on such notification the Issuer shall redeem each Note or Certificate, or cancel each Warrant, as applicable, on a date notified by the Issuer to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable, in which event the Issuer will pay to each Holder of Securities in respect of each such Security or, if Units are specified in the applicable Final Terms, each Unit, held by him an amount equal to its fair market value as determined by the Calculation Agent as at the date of redemption (in the case of Notes or Certificates) or cancellation (in the case of Warrants) taking into account the rebasing, less the cost to the Swap Counterparty and/or its Affiliates of unwinding or amending the relevant Swap Agreement (if any) and any related underlying hedging arrangements. Notice of any adjustment, redemption of the Securities or determination pursuant to this paragraph shall be given to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable.

(vi) Index Modification

- (i) If on or prior to the Cut-Off Date in respect of any Valuation Date, the Calculation Agent determines that an Index Modification has occurred the Calculation Agent may (A) if Related Bond is specified as applicable in the applicable Final Terms, make any adjustments to the Index, any Relevant Level and/or any other relevant term of the Securities (including, without limitation, any amount payable under the Securities), consistent with any adjustments made to the Related Bond as the Calculation Agent deems necessary, or (B) if Related Bond is specified as not applicable in the Final Terms or a Related Bond Redemption Event has occurred make only those adjustments to the relevant Index, any Relevant Level and/or any other term of the Securities (including, without limitation, any amount payable under the Securities), as the Calculation Agent deems necessary for the modified Index to continue as the Index and to account for the economic effect of the Index Modification.
- (ii) If the Calculation Agent determines that an Index Modification has occurred at any time after the Cut-Off Date in respect of any Valuation Date, the Calculation Agent may determine either (a) to ignore such Index Modification for the purposes of any calculation or determination made by the Calculation Agent with respect to such Valuation Date, in which case the relevant Index Modification will be deemed to have occurred with respect to the immediately succeeding Valuation Date such that the provisions of sub paragraph (i) above will apply, or, (b) notwithstanding that the Index Modification has occurred following the Cut-Off Date, to make any adjustments as the Calculation Agent deems fit in accordance with sub-paragraph (i) above.

(vii) Index Cancellation

If the Calculation Agent determines that an Index Cancellation has occurred, it may:

- (a) elect, in the case of Warrants only, to calculate the Settlement Price using in lieu of a published level for that Index, a level for the Index as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to cancellation; or
- (b) require the Issuer to redeem each Note or Certificate, or cancel each Warrant, as applicable, and if it so requires, the Issuer shall redeem each Note or Certificate and cancel each Warrant on the date notified by the Issuer to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable, in which event the Issuer will pay to each Holder of Securities in respect of such Security held by him an amount equal to its fair market value (as determined by the Calculation Agent) as at the date of redemption or cancellation, as applicable taking into account the Index Cancellation, less the cost to the Swap Counterparty of unwinding or amending the relevant Swap Agreement (if any) and any related underlying hedging arrangements. Notice of any redemption or cancellation, as applicable of the Securities pursuant to this paragraph shall be given to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants, or Condition 19 of the Certificates, as applicable.

(viii) Swap Agreement Determination

Notwithstanding any other provision of this Inflation Linked Condition 3, in exercising its discretion hereunder, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar determination or selection or

any other adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Inflation Index Adjustment Event, Delayed Index Level Event, Index Level Adjustment Correction, Rebased Index, Index Modification, Index Cancellation or event affecting the Specified Currency, as the case may be.

(ix) General

In determining to take a particular action as a result of any of the circumstances set out in Inflation Linked Condition 3(i) to 3(vii) (inclusive) above, the Calculation Agent is under no duty to consider the interests of Holders of Securities or any other person. In making any determination as to which action to take following the occurrence of the aforementioned circumstances, none of the Calculation Agent, the Issuer or the Swap Counterparty shall be responsible for any loss (including liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders of Securities or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

4. **Definitions**

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

"Cut-Off Date" means, in respect of a Valuation Date, three Business Days prior to such Valuation Date, unless otherwise stated in the applicable Final Terms.

"Delayed Index Level Event" means, in respect of any Valuation Date, that the Index Sponsor fails to publish or announce the level of the Index (the **"Relevant Level"**) in respect of any Reference Month which is to be utilised in any calculation or determination to be made by the Issuer or the Calculation Agent in respect of such Valuation Date, at any time on or prior to the Cut-Off Date.

"Fallback Bond" means a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the Index relates and which pays a coupon or redemption amount which is calculated by reference to the Index, with a maturity date which falls on (a) the same day as the Maturity Date, the Settlement Date, or the Redemption Date, as applicable, (b) the next longest maturity after the Maturity Date, the Settlement Date, or the Redemption Date, as applicable, if there is no such bond maturing on the Maturity Date, the Redemption Date, or the Settlement Date or (c) the next shortest maturity before the Maturity Date, the Settlement Date, or the Redemption Date, as applicable, if no bond defined in (a) or (b) is selected by the Calculation Agent. If the Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

"Index" or **"Indices"** means the index or indices specified in the applicable Final Terms and related expressions shall be construed accordingly.

"Index Cancellation" means a level for the Index has not been published or announced for two consecutive months and/or the Index Sponsor cancels the Index and/or the Index Sponsor announces that it will no longer continue to publish or announce the Index and no Successor Index exists.

"Index Modification" means the Index Sponsor announces that it will make (in the opinion of the Calculation Agent) a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index.

"Index Sponsor" means the entity that publishes or announces (directly or through an agent) the level of the relevant Index which as of the Issue Date of the Securities is the index sponsor in the applicable Final Terms.

"Rebased Index" has the meaning given to it under Inflation Linked Condition 3 above.

"Reference Month" means the calendar month for which the level of the Index was reported, regardless of when this information is published or announced. If the period for which the Relevant Level was reported is a period other than a month, the Reference Month shall be the period for which the Relevant Level was reported.

"Related Bond" means the bond specified as such in the applicable Final Terms. If the Related Bond specified in the applicable Final Terms is "Fallback Bond", then for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If no bond is specified in the applicable Final Terms as the Related Bond and "Fallback Bond: Not applicable" is specified in the applicable Final Terms there will be no Related Bond. If a bond is selected as the Related Bond in the applicable Final Terms and that bond redeems or matures before the relevant Maturity Date, Settlement Date, or Redemption Date, as applicable, unless "Fallback Bond: Not applicable" is specified in the applicable Final Terms, the Calculation Agent shall use the Fallback Bond for any Related Bond determination.

"Related Bond Redemption Event" means, if specified as applicable in the applicable Final Terms, at any time prior to the Maturity Date, Settlement Date or Redemption Date, as applicable, (i) the Related Bond is redeemed, repurchased or cancelled, (ii) the Related Bond becomes repayable prior to its stated date of maturity for whatever reason, or (iii) the issuer of the Related Bond announces that the Related Bond will be redeemed, repurchased or cancelled prior to its stated date of maturity.

"Relevant Level" has the meaning given to it in the definition of Delayed Index Level Event.

"Successor Index" has the meaning given to it in under Inflation Linked Condition 2 above.

"Substitute Index Level" means, in respect of a Delayed Index Level Event, the index level determined by the Issuer in accordance with Inflation Linked Condition 1 above.

"Valuation Date" means the date (in the case of Warrants) or the Interest Valuation Date and/or Redemption Valuation Date (in the case of Notes and Certificates) specified in the applicable Final Terms.

ANNEX 6

ADDITIONAL TERMS AND CONDITIONS FOR CURRENCY LINKED SECURITIES

The terms and conditions applicable to Currency Linked Securities shall comprise, in the case of Notes, the Terms and Conditions of the Notes (as set out under the heading "Terms and Conditions of the Notes" above and, for the avoidance of doubt, not including Annexes 1 to 10), in the case of Warrants, the Terms and Conditions of the Warrants (as set out under the heading "Terms and Conditions of the Warrants" above and, for the avoidance of doubt, not including Annexes 1 to 8 or 10), and, in the case of Certificates, the Terms and Conditions of the Certificates (as set out under the heading "Terms and Conditions of the Certificates" above and, for the avoidance of doubt, not including Annexes 1 to 10) as applicable (the "Conditions") and the additional Terms and Conditions set out below (the "Currency Linked Conditions") and any other additional Terms and Conditions that may be specified in the Final Terms (the "Additional Terms and Conditions"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Conditions and the Currency Linked Conditions, the Currency Linked Conditions shall prevail. In the event of any inconsistency between (i) the Conditions and/or the Currency Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1. Definitions

"Averaging Date" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Linked Condition 3 (*Consequences of a Disruption Event*) shall apply;

"Dual Exchange Rate" means that any of the Base Currency, Subject Currency and/or Subject Currencies, splits into dual or multiple currency exchange rates;

"Disrupted Day" means any Scheduled Trading Day on which the Calculation Agent determines that a Disruption Event has occurred;

"Illiquidity Disruption" means the occurrence of any event in respect of any of the Base Currency, Subject Currency and/or Subject Currencies whereby it becomes impossible for the Swap Counterparty to obtain a firm quote for such currency in an amount deemed necessary by the Swap Counterparty to hedge its obligations under the Securities (in one or more transaction(s)) on the relevant Averaging Date or any Settlement Price Date (or, if different, the day on which rates for such Averaging Date or Settlement Price Date would, in the ordinary course, be published or announced by the relevant Price Source);

"Price Source" means the published source, information vendor or provider containing or reporting the rate or rates from which the Settlement Price is calculated as specified in the applicable Final Terms;

"Price Source Disruption" means that it becomes impossible to obtain the rate or rates from which the Settlement Price is calculated;

"Scheduled Trading Day" means a day on which commercial banks are open (or, but for the occurrence of a Disruption Event would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the principal financial centres of the Base Currency and Subject Currency or Subject Currencies;

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

"Specified Maximum Days of Disruption" means the number of days specified in the applicable Final Terms, or if not so specified, five Scheduled Trading Days;

"Strike Date" means the Strike Date specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (*Consequences of a Disruption Event*) shall apply;

"Valuation Date" means the date (in the case of Warrants), or the Interest Valuation Date and/or the Redemption Valuation Date (in the case of Notes and Certificates) specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (*Consequences of a Disruption Event*) shall apply;

"Valuation Time" means, unless otherwise specified in the applicable Final Terms, the time at which the Price Source publishes the relevant rate or rates from which the Settlement Price is calculated; and

"Valid Date" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

2. **Disruption Events**

Unless otherwise stated in the applicable Final Terms, the occurrence of any of the following events, in respect of any Base Currency, Subject Currency and/or Subject Currencies, shall be a Disruption Event:

- (a) Price Source Disruption;
- (b) Illiquidity Disruption;
- (c) Dual Exchange Rate;
- (d) any other event that, in the opinion of the Calculation Agent, is analogous to (a), (b) or (c);
or
- (e) any other event specified in the applicable Final Terms.

The Calculation Agent shall give notice as soon as practicable to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, of the occurrence of a Disrupted Day on any day that but for the occurrence of the Disrupted Day would have been an Averaging Date, Settlement Price Date, Knock-in Determination Day or Knock-out Determination Day, as the case may be.

3. **Consequences of a Disruption Event**

Upon a Disruption Event occurring or continuing on an Averaging Date or any Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published by the Price Source) as determined by the Calculation Agent, the Calculation Agent shall apply the applicable Disruption Fallback in determining the consequences of the Disruption Event.

"Disruption Fallback" means a source or method that may give rise to an alternative basis for determining the Settlement Price in respect of a Base Currency, Subject Currency and/or Subject Currencies when a Disruption Event occurs or exists on a day that is an Averaging Date or a Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published or announced by the Price Source). The Calculation Agent shall take the relevant actions specified in either (a), (b) (in the case of Warrants) or (c) (in the case of Notes and Certificates) below.

- (a) if an Averaging Date or any Settlement Price Date is a Disrupted Day, the Calculation Agent will determine that the relevant Averaging Date or Settlement Price Date, as the case may be, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day (in the case of any Settlement Price Date) or Valid Date (in the case of an Averaging Date or Settlement Price Date that is not the Strike Date) unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the originally scheduled Averaging Date or Settlement Price Date, as the case may be, is a Disrupted Day in which case the Calculation Agent may determine that the last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date or Settlement Price Date, as the case may be (irrespective, in the case of an Averaging Date or Settlement Price Date, of whether that last consecutive Scheduled Trading Day is already an Averaging Date or Settlement Price Date, as the case may be) and may determine the Settlement Price by using commercially reasonable efforts to determine a level for the Base Currency, Subject Currency and/or Subject Currencies as of the Valuation Time on the last such consecutive Scheduled Trading Day taking into consideration all available information that in good faith it deems relevant; or
- (b) in the case of Warrants, if an Averaging Date or any Settlement Price Date is a Disrupted Day but is not the Valuation Date on giving notice to Warrantholders in accordance with Condition 17 of the Warrants, the Issuer shall cancel all but not some only of the Warrants, each Warrant being cancelled by payment of an amount equal to the fair market value of such Warrant, less the cost to the Issuer and/or the Swap Counterparty of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payment shall be made in such manner as shall be notified to the Warrantholders in accordance with Condition 17 of the Warrants; or
- (c) in the case of Notes and Certificates:
 - (i) if an Averaging Date or any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and where Delayed Redemption on Occurrence of a Disruption Event is specified as not applicable in the applicable Final Terms, on giving notice to Noteholders in accordance with Condition 18 of the Notes, or to Certificateholders in accordance with Condition 19 of the Certificates, as applicable, the Issuer shall redeem all but not some only of the Notes or the Certificates, as applicable, each such Note or Certificate being redeemed by payment of an amount equal to the fair market value of such Note or Certificate, as applicable, less the cost to the Issuer and/or the Swap Counterparty of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payment shall be made in such manner as shall be notified to the Noteholders in accordance with Condition 18 of the Notes or to the Certificateholders in accordance with Condition 19 of the Certificates; or
 - (ii) if an Averaging Date or any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and if Delayed Redemption on Occurrence of a Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Note or Certificate, as applicable, less the cost to the Issuer and/or the Swap Counterparty of unwinding any underlying related hedging arrangements (the "**Calculated Currency Disruption Amount**") as soon as practicable following the occurrence of the Disruption Event (the "**Calculated Currency Disruption Amount Determination Date**") and on the Maturity Date (in the case of Notes) or the Redemption Date (in the case of Certificates) shall redeem each Note or Certificate, as applicable, at an amount calculated by the Calculation Agent equal

to (x) the Calculated Currency Disruption Amount plus interest accrued from and including the Calculated Currency Disruption Amount Determination Date to but excluding the Maturity Date (in the case of Notes) or the Redemption Date (in the case of Certificates) at a rate equal to zero per cent. (unless specified otherwise in the applicable Final Terms) or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, its nominal amount (in the case of Notes) or its notional amount (in the case of Certificates).

- (d) Notwithstanding any provisions in the Conditions to the contrary, postpone any payment date related to such Averaging Date or Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be provided or announced by the Price Source), as the case may be (including the Maturity Date, Settlement Date or Redemption Date, as applicable) until the Business Day following the date on which a Disruption Event is no longer subsisting and no interest or other amount shall be paid by the Issuer in respect of such postponement.
- (e) Notwithstanding any other provision of this Currency Linked Condition 3, in exercising its discretion above, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar adjustment, calculation or determination made in respect of the relevant Swap Agreement in relation to such Disruption Event.
- (f) In determining to take a particular action as a result of a Disruption Event, the Calculation Agent is under no duty to consider the interests of any Holders of Securities or any other person. In making any determination as to which action to take following the occurrence of a Disruption Event, neither the Issuer nor the Calculation Agent shall be responsible for any loss (including any liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders of Securities or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

4. **Settlement Price**

"Settlement Price" means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security or, in respect of Warrants if Units are specified in the applicable Final Terms, each Unit, as the case may be:

- (i) in the case of Currency Linked Securities relating to a basket of Subject Currencies and in respect of a Subject Currency, the spot rate of exchange appearing on the Relevant Screen Page at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent), multiplied by the relevant Weighting; and
- (ii) in the case of Currency Linked Securities relating to a single Subject Currency, an amount equal to the spot rate of exchange appearing on the Relevant Screen Page at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, for

the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent).

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

- (A) If "Knock-in Event" is specified as applicable in the Final Terms, then, unless otherwise specified in such Final Terms, any payment under the relevant Securities which is expressed in the applicable Final Terms to be subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.
- (B) If "Knock-out Event" is specified as applicable in the Final Terms, then, unless otherwise specified in such Final Terms, any payment under the relevant Securities which is expressed in the applicable Final Terms to be subject to a Knock-out Event, shall be conditional upon the non-occurrence of such Knock-out Event.
- (C) If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if a Disruption Event has occurred on any Knock-in Determination Day or Knock-out Determination Day, then, unless otherwise specified in the applicable Final Terms, such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.
- (D) If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours for the Base Currency, Subject Currency and/or Subject Currencies and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one-hour period that begins or ends at the time on which the Subject Currency or Subject Currencies trigger the Knock-in Level or the Knock-out Level, a Disruption Event occurs or exists, then, unless otherwise specified in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.
- (E) Definitions relating to Knock-in Event/Knock-out Event

Unless otherwise specified in the applicable Final Terms:

"Knock-in Determination Day" means the date(s) specified as such in the applicable Final Terms;

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

"Knock-in Event" means (i) in the case of a single Subject Currency, that the value of the Subject Currency determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is and (ii) in the case of a basket of Subject Currencies, that the amount determined by the Calculation Agent equal to the sum of the values of each Subject Currency as the product of (x) the value of such Subject Currency as of the Knock-in Valuation Time on any Knock-in Determination Day and (y) the relevant Weighting is, (A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Knock-in Level as specified in the applicable Final Terms;

"Knock-in Level" means (i) in the case of a single Subject Currency, the value of the Subject Currency or (ii) in case of a basket of Subject Currencies, the value, in each case specified as such or otherwise determined in the applicable Final Terms;

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

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

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

"Knock-out Determination Day" means the date(s) as specified as such in the applicable Final Terms;

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

"Knock-out Event" means (i) in the case of a single Subject Currency, that the value of the Subject Currency determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is or (ii) in the case of a basket of Subject Currencies, that the amount determined by the Calculation Agent equal to the sum of the values of each Subject Currency as the product of (x) the value of such Subject Currency as of the Knock-out Valuation Time on any Knock-out Determination Day and (y) the relevant Weighting is, (A) "greater than", (B) "greater than or equal to", (C) "less than" or (D) "less than or equal to" the Knock-out Level as specified in the applicable Final Terms;

"Knock-out Level" means (i) in the case of a single Subject Currency, the value of the Subject Currency or (ii) in the case of a basket of Subject Currencies, the value, in each case specified as such or otherwise determined in the applicable Final Terms;

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

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

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

ANNEX 7

ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED SECURITIES

*The terms and conditions applicable to Fund Linked Securities shall comprise, in the case of Notes, the Terms and Conditions of the Notes (as set out under the heading "Terms and Conditions of the Notes" above and, for the avoidance of doubt, not including Annexes 1 to 10), in the case of Warrants, the Terms and Conditions of the Warrants (as set out under the heading "Terms and Conditions of the Warrants" above and, for the avoidance of doubt, not including Annexes 1 to 8 or 10), and, in the case of Certificates, the Terms and Conditions of the Certificates (as set out under the heading "Terms and Conditions of the Certificates" above and, for the avoidance of doubt, not including Annexes 1 to 10) as applicable (the "Conditions") and the additional Terms and Conditions set out below (the "**Fund Linked Conditions**") and any other additional Terms and Conditions that may be specified in the Final Terms (the "**Additional Terms and Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Conditions and the Fund Linked Conditions and/or the Additional Terms and Conditions, the Fund Linked Conditions and/or the Additional Terms and Conditions (as applicable) shall prevail. In the event of any inconsistency between (i) the Conditions and/or the Fund Linked Conditions and/or the Additional Terms and Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1. Definitions

"Additional Extraordinary Fund Event" means any event specified as such in the applicable Final Terms.

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

"AUM Level" has the meaning given to it in the applicable Final Terms or, if not so specified, with respect to (i) a Mutual Fund, EUR 50,000,000 or (ii) a Hedge Fund, EUR 50,000,000, or the equivalent in any other currency.

"Basket Trigger Event" means that an Extraordinary Fund Event has occurred in respect of one or more Funds comprising the Fund Basket which has or, in the event that an Extraordinary Fund Event has occurred in respect of more than one Fund, together have, a Weighting in the Fund Basket equal to or greater than the Basket Trigger Level.

"Basket Trigger Level" has the meaning given to it in the applicable Final Terms, or if not so specified, means 50 per cent.

"Calculation Date" means each day(s) specified in the applicable Final Terms, or if not so specified, each day which is a Fund Business Day.

"Delayed Payment Cut-off Date" has the meaning given in the applicable Final Terms or, if not so specified, the date falling two calendar years after the originally designated Settlement Date, Maturity Date, Redemption Date, the Automatic Early Redemption Date, the Scheduled Exercise Date or Termination Date, as the case may be;

"Extraordinary Fund Event Effective Date" means, in respect of an Extraordinary Fund Event, the date on which such Extraordinary Fund Event occurs, or has occurred, as determined by the Calculation Agent in its sole and absolute discretion.

"Fee" has the meaning given to it in the applicable Final Terms.

"Final Calculation Date" means the date specified as such in the applicable Final Terms.

"Fund" means each Mutual Fund, Hedge Fund or Private Equity Fund.

"Fund Basket" means where the Securities are linked to the performance of Fund Shares of more than one Fund, a basket comprising such Fund Shares.

"Fund Business Day" means either (i) with respect to a single Fund, Fund Business Day (Single Fund Share Basis), or (ii) in respect of a Fund Basket, either Fund Business Day (All Fund Shares Basis) or Fund Business Day (Per Fund Share Basis) as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Fund Business Day (Per Fund Share Basis) shall apply.

"Fund Business Day (All Fund Shares Basis)" means, with respect to a Fund Basket, a date (i) that is a Fund Valuation Date for all Fund Shares comprised in the Fund Basket, (ii) for which there has been a corresponding Fund Reporting Date in respect of each such Fund and (iii) on which the Hedge Provider has, or could have, a subscription or redemption order for each such Fund Share executed at the NAV per Fund Share published on the relevant Fund Reporting Date.

"Fund Business Day (Per Fund Share Basis)" means, with respect to a Fund Share, a date (i) that is a Fund Valuation Date in respect of such Fund Share, (ii) for which there has been a corresponding Fund Reporting Date and (iii) on which the Hedge Provider has, or could have, a subscription or redemption order for the Fund Shares executed at the NAV per Fund Share published on the relevant Fund Reporting Date.

"Fund Business Day (Single Fund Share Basis)" means with respect to a Fund Share, a date (i) that is a Fund Valuation Date, (ii) for which there has been a corresponding Fund Reporting Date and (iii) on which the Hedge Provider has, or could have, a subscription or redemption order for the Fund Shares executed at the NAV per Fund Share published on the relevant Fund Reporting Date.

"Fund Documents" means, unless specified otherwise in the applicable Final Terms, with respect to any Fund Share, the offering document of the relevant Fund specifying, among other matters, the terms and conditions relating to such Fund Share and, for the avoidance of doubt, any other documents or agreements in respect of the Fund as further described in any Fund Document.

"Fund Reporting Date" means, subject to the occurrence of an Extraordinary Fund Event, in respect of any Fund Share and a Fund Valuation Date, the date on which, in accordance with the Fund Documents, the relevant NAV per Fund Share is reported or published in respect of such Fund Valuation Date.

"Fund Service Provider" means, in respect of any Fund, any person who is appointed to provide services, directly or indirectly, in respect of such Fund, whether or not specified in the Fund Documents, including any adviser, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent, sponsor or general partner and any other person specified as such in the applicable Final Terms.

"Fund Share(s)" means an ownership interest issued to or held by an investor in a Fund or any other interest specified as such in the applicable Final Terms.

"Fund Valuation Date" means any date as of which, in accordance with the Fund Documents, the Fund (or the Fund Service Provider that generally determines such value) is or but for the occurrence of an Extraordinary Fund Event would have been, scheduled to determine the NAV per Fund Share.

"Hedge Fund" means the hedge fund(s) specified as such in the applicable Final Terms.

"Hedge Provider" means the party (being, *inter alia*, the Issuer, the Guarantor (if applicable), the Swap Counterparty, the Calculation Agent, an Affiliate or any third party) from time to time who hedges the Issuer's obligations in respect of the Securities and/or the Swap Counterparty's obligations in respect of the Swap Agreement or where no such party actually hedges such obligations, a Hypothetical Investor, who shall be deemed to enter into transactions as if hedging such obligations. The Hedge Provider will (i) hold or be deemed to hold such number of Fund Shares, or (ii) enter or be deemed to enter into any agreement to purchase or deliver, or pay an amount linked to the performance of, such number of Fund Shares as it (or in the case of a Hypothetical Investor, the Calculation Agent) considers would be held by a prudent issuer as a hedge for its exposure under the relevant Securities.

"Hedging Date" has the meaning given to it in the applicable Final Terms.

"Hypothetical Investor" means a hypothetical investor in Fund Shares which is deemed to have the benefits and obligations, as provided in the relevant Fund Documents, of an investor holding the relevant number of Fund Shares at the relevant time (as determined by the Calculation Agent in the context of the relevant situation). The Hypothetical Investor may be deemed by the Calculation Agent to be resident or organised in any jurisdiction, and to be, without limitation, the Issuer, the Guarantor (if applicable), the Swap Counterparty, the Calculation Agent or any of their Affiliates (as determined by the Calculation Agent in the context of the relevant situation).

"Implied Embedded Option Value" means an amount (which may never be less than zero) equal to the present value as at the Implied Embedded Option Value Determination Date of any future payments under the Securities (excluding the Protected Amount, where applicable in respect of the Notes and Certificates) determined by the Calculation Agent in its sole and absolute discretion taking into account, without limitation, such factors as interest rates, the net proceeds achievable from the sale of any Fund Shares by the Hedge Provider, the volatility of the Fund Shares and transaction costs.

"Implied Embedded Option Value Determination Date" means the date determined by the Calculation Agent to be the first date on which it is possible to determine the Implied Embedded Option Value following the occurrence of an Extraordinary Fund Event for which the Calculation Agent determines the relevant action is to be Termination.

"Initial Calculation Date" means the date specified as such in the applicable Final Terms or, if not so specified, the Hedging Date.

"Merger Event" means, in respect of any relevant Shares and Entity (as defined below), any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share/unit/interest exchange of an Entity with or into another entity or person (other than a consolidation, amalgamation, merger or binding share/unit/interest exchange in which such Entity, is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of an Entity that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share/unit/interest exchange of an Entity or its subsidiaries with or into another entity in which the Entity is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the Extraordinary Fund Event Effective Date, as determined by the Calculation Agent, is on or before the Final Calculation Date. For the purposes of this definition "Merger Event" only, "Shares" shall mean the applicable Fund Shares or the shares of any applicable Fund Service Provider, as the context may require, and

"Entity" shall mean the applicable Fund or any applicable Fund Service Provider, as the context may require.

"Mutual Fund" means the mutual fund(s) specified as such in the applicable Final Terms.

"NAV per Fund Share" means, with respect to the relevant Fund Shares and the Fund Reporting Date relating to such Fund Shares, (i) the net asset value per Fund Share as of the relevant Fund Valuation Date, as reported on such Fund Reporting Date by the Fund Service Provider that generally publishes or reports such value on behalf of the Fund to its investors or a publishing service, or (ii) if the Fund Service Provider of the Fund publishes or reports only the aggregate net asset value of the Fund Shares, the net asset value per Fund Share calculated by the Calculation Agent on the basis of such aggregate net asset value of the Fund Shares divided by the number of Fund Shares issued and outstanding as of the relevant Fund Valuation Date.

"NAV Trigger Event" means, in respect of the Fund Shares, that (i) the NAV per Fund Share has decreased by an amount equal to, or greater than, the NAV Trigger Percentage(s) at any time during the related NAV Trigger Period, or (ii) the Fund having violated any leverage restriction that is applicable to, or affects, such Fund or its assets by operation of any law, any order or judgement of any court or other agency of government, the Fund Documents or any other contractual restriction binding on or affecting the Fund or any of its assets.

"NAV Trigger Percentage" means the percentage specified in the applicable Final Terms or, if not so specified, with respect to (i) a Mutual Fund, 50 per cent. or (ii) a Hedge Fund, 50 per cent.

"NAV Trigger Period" means the period specified in the applicable Final Terms or, if not so specified, the period from and including the Initial Calculation Date to and including the Final Calculation Date.

"Non-Principal Protected Termination Amount" means, in respect of each nominal amount of Notes or notional amount of Certificates equal to the Calculation Amount, an amount determined by the sum of:

- (i) the Implied Embedded Option Value; and
- (ii) if Delayed Redemption on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms, the Simple Interest.

"Number of NAV Publication Days" means the number of calendar days specified in the applicable Final Terms or if not so specified, with respect to (i) a Mutual Fund, 5 calendar days or (ii) a Hedge Fund, 10 calendar days.

"Principal Protected Termination Amount" means, in respect of each nominal amount of Notes or notional amount of Certificates equal to the Calculation Amount, an amount determined as the sum of:

- (i) if Delayed Redemption on the Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms, the Protected Amount as specified in such Final Terms, otherwise the present value of the Protected Amount as determined by the Calculation Agent as of the Termination Date;
- (ii) the Implied Embedded Option Value; and
- (iii) if Delayed Redemption on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms, the Simple Interest.

"Protected Amount" means the amount specified as such in the applicable Final Terms.

"Private Equity Fund" means the private equity fund(s) specified as such in the applicable Final Terms.

"Simple Interest" means an amount calculated by the Calculation Agent equal to the amount of interest that would accrue on the Implied Embedded Option Value during the period from (and including) the Implied Embedded Option Value Determination Date to (and including) the Final Calculation Date calculated on the basis that such interest were payable by the Floating Rate Payer under an interest rate swap transaction incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. under which:

- (i) the "Effective Date" is the Implied Embedded Option Value Determination Date;
- (ii) the "Termination Date" is the Termination Date;
- (iii) the "Floating Rate Payer Payment Date" is the Termination Date;
- (iv) the "Floating Rate Option" is EUR-EURIBOR-Reuters (if the Settlement Currency is EUR) or USD-LIBOR-BBA (if the Settlement Currency is USD) or any other Floating Rate Option determined by the Calculation Agent (for other Settlement Currencies);
- (v) the "Designated Maturity" is 3 months;
- (vi) the "Simple Interest Spread" is as specified in the applicable Final Terms or if not so specified, minus 0.125 per cent.;
- (vii) the "Floating Rate Day Count Fraction" is Actual/360;
- (viii) the "Reset Date" is the Implied Embedded Option Value Determination Date and each date falling three calendar months after the previous Reset Date; and
- (ix) "Compounding" is "Inapplicable".

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

"Termination Amount" means the amount as specified in the applicable Final Terms or if not so specified (x) in the case of Notes and Certificates (i) the Principal Protected Termination Amount or (ii) the Non-Principal Protected Termination Amount as specified in the applicable Final Terms or (y) in the case of Warrants, an amount equal to the Implied Embedded Option Value.

"Termination Date" means (i) the date determined by the Calculation Agent and specified in the notice given to Holders of Securities in accordance with Fund Linked Condition 4.2(d), or (ii) in the case of Notes, if Delayed Redemption on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms, the Maturity Date, or (iii) in the case of Certificates, if Delayed Redemption on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms, the Redemption Date.

"Trade Date" has the meaning given to it in the applicable Final Terms.

2. **Extraordinary Fund Events**

Subject to the provisions of Fund Linked Condition 3 (Determination of Extraordinary Fund Events), "**Extraordinary Fund Event**" means the occurrence or continuance at any time on or after the Trade Date of any of the following events as determined by the Calculation Agent:

Global Events:

- 2.1 any Fund or any Fund Service Provider (i) ceases trading and/or, in the case of a Fund Service Provider, ceases administration, portfolio management, investment services, custodian, prime brokerage or any other relevant business (as applicable) (ii) is dissolved or has a resolution passed, or there is any proposal, for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv)(1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in sub-clause (iii)(1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not dismissed, discharged, stayed or restrained; (v) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained; or (vii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an effect analogous to any of the events specified in sub-clauses (i) to (vi) above; or
- 2.2 the occurrence of a Merger Event or Tender Offer;

Litigation/Fraudulent Activity Events:

- 2.3 there exists any litigation against the Fund or a Fund Service Provider which in the sole and absolute discretion of the Calculation Agent could materially affect the value of the Fund Shares or the rights or remedies of any investor in such Fund Shares; or
- 2.4 (i) an allegation of criminal or fraudulent activity is made in respect of the Fund, or any Fund Service Provider, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred, or (ii) any investigative, judicial, administrative or other civil or criminal proceedings is commenced or is threatened against the Fund, any Fund Service Provider or any key personnel of such entities if such allegation, determination, suspicion or proceedings could, in the sole and absolute discretion of the Calculation Agent, materially affect the value of the Fund Shares or the rights or remedies of any investor in such Fund Shares;

Fund Service Provider/Key Person Events:

- 2.5 (i) a Fund Service Provider ceases to act in such capacity in relation to the Fund and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent and/or (ii) any event occurs which causes, or will with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the Fund and/or any Fund Service Provider to meet or maintain any obligation or undertaking under the Fund Documents which failure is reasonably likely to have an adverse impact on the value of the Fund Shares or on the rights or remedies of any investor in such Fund Shares; or
- 2.6 one or more of the key individuals involved with, or having supervision over, the Fund or a Fund Service Provider ceases to act in such capacity, and the relevant Fund Service Provider fails to appoint a replacement having similar qualifications to those of the key individual or individuals ceasing to act;

Modification Events:

- 2.7 a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the Fund (howsoever described, including the underlying type of assets in which the Fund invests), from those set out in the Fund Documents, or any announcement regarding a potential modification or deviation, except where such modification or deviation is of a formal, minor or technical nature;
- 2.8 a material modification, cancellation or disappearance (howsoever described), or any announcement regarding a potential future material modification, cancellation or disappearance (howsoever described), of the type of assets (i) in which the Fund invests, or (ii) the Fund purports to track;
- 2.9 a material modification, or any announcement regarding a potential future material modification, of the Fund (including but not limited to a material modification of the Fund Documents or to the Fund's liquidity terms) other than a modification or event which does not affect the Fund Shares or the Fund or any portfolio of assets to which the Fund Share relates (either alone or in common with other Fund Shares issued by the Fund);
- 2.10 the creation by the Fund of any illiquid share class or unit howsoever described;
- 2.11 the currency denomination of the Fund Shares is amended from that set out in the Fund Documents so that the NAV per Fund Share is no longer calculated in the same currency as it was as at the Trade Date;
- 2.12 if applicable, the Fund ceases to be an undertaking for collective investments under the legislation of its relevant jurisdiction; or
- 2.13 following the issue or creation of a new class or series (howsoever described in the Fund Documents) of shares or units by the Fund, the Calculation Agent determines taking into consideration the potential cross-liability between classes of shares or units (howsoever described in the Fund Documents) that such new class or series has or may have an adverse effect on the hedging activities of the Hedge Provider in relation to the Securities;

NAV per Fund Share/AUM Level Events:

- 2.14 a material modification of the method of calculating the NAV per Fund Share;
- 2.15 any change in the periodicity of the calculation or the publication of the NAV per Fund Share;

- 2.16 any suspension of the calculation or publication of the NAV per Fund Share;
- 2.17 the occurrence of any event affecting a Fund Share that, in the sole and absolute discretion of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the NAV per Fund Share;
- 2.18 any of the Fund, any Fund Service Provider or any other party acting on behalf of the Fund fails for any reason to calculate and publish the NAV per Fund Share within the Number of NAV Publication Days following any date scheduled for the determination of the valuation of the Fund Shares unless the cause of such failure to publish is of a technical nature and outside the immediate and direct control of the entity responsible for such publication;
- 2.19 any Fund Service Provider uses asset prices provided by the investment manager (howsoever described in the Fund Documents) to calculate the NAV per Fund Share when such asset prices could have been obtained from independent sources and the asset prices from independent sources materially diverge from the asset prices provided by the investment manager (howsoever described in the Fund Documents);
- 2.20 the assets under management of the Fund falls below the AUM Level;
- 2.21 the Calculation Agent determines, at any time, that (i) the NAV per Fund Share is inaccurate, or (ii) the reported net asset value of the Fund Shares misrepresents the net asset value of the Fund Shares;
- 2.22 a NAV Trigger Event occurs; or
- 2.23 in the case of a Hedge Fund only, the audited net asset value of the Fund and/or the NAV per Fund Share is different from the audited net asset value of the Fund and/or the NAV per Fund Share communicated by the relevant Fund Service Provider in respect of the same date, (ii) the auditors of the Fund qualify any audit report, or refuse to provide an unqualified audit report, in respect of the Fund, and/or (iii) the Calculation Agent, in its sole and absolute discretion, does not deem the audited net asset value of the Fund and/or the NAV per Fund Share to be representative of the actual net asset value of the Fund and/or the NAV per Fund Share;

Reporting Events:

- 2.24 any failure of the Fund, or its authorised representative, to deliver or publish, or cause to be delivered or published, (i) information that the Fund has agreed to deliver or publish, or agreed to cause to be delivered or published, to the Calculation Agent or Hedge Provider, or (ii) information that has been previously delivered to the Hedge Provider or the Calculation Agent, as applicable, in accordance with the Fund's, or its authorised representative's, normal practice and that the Hedge Provider deems necessary for it or the Calculation Agent, as applicable, to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the Fund Share; or
- 2.25 any Fund Service Provider fails to provide the Calculation Agent, within a reasonable time, with any information that the Calculation Agent has reasonably requested regarding the investment portfolio or other activities or undertakings of the Fund;

Tax/Law/Accounting/Regulatory Events:

- 2.26 there is a change in or in the official interpretation or administration of any laws or regulations relating to taxation that has or is likely to have a material adverse effect on any hedging arrangements entered into by any Hedge Provider in respect of the Securities (a

"**Tax Event**") and, subject as provided below, the Hedge Provider has, for a period of one calendar month following the day the relevant Tax Event became known to it, used reasonable efforts to mitigate the material adverse effect of the Tax Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in it or any of its Affiliates sustaining a loss or expense of any kind and the period set out above for such mitigation shall be deemed satisfied on any date it is or becomes apparent at any time that there is no practicable means of mitigating the Tax Event; or

- 2.27 (i) any relevant activities of or in relation to the Fund or a Fund Service Provider are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the Fund by any governmental, legal or regulatory entity with authority over the Fund), (ii) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the Fund or a Fund Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (iii) the Fund is required by a competent authority to redeem any Fund Shares, (iv) the Hedge Provider is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any Fund Shares held in connection with any hedging arrangements relating to the Securities and/or (v) any change in the legal, tax, accounting or regulatory treatment of the Fund or any Fund Service Provider that is reasonably likely to have an adverse impact on the value of the Fund Shares or other activities or undertakings of the Fund or on the rights or remedies of any investor in such Fund Shares, including any Hedge Provider;

Hedging/Impracticality/Increased Costs Events:

- 2.28 in connection with any hedging activities in relation to the Securities, as a result of any adoption of, or any change in, any law, order, regulation, decree or notice, howsoever described, after the Trade Date, or issuance of any directive or promulgation of, or any change in the interpretation, whether formal or informal, by any court, tribunal, regulatory authority or similar administrative or judicial body of any law, order, regulation, decree or notice, howsoever described, after such date or as a result of any other relevant event (each a "**Relevant Event**") (i) it would become unlawful or impractical for the Hedge Provider to hold (including, without limitation, circumstances requiring the Hedge Provider to modify any reserve, special deposit, or similar requirement or that would adversely affect the amount of regulatory capital that would have to be maintained in respect of any holding of Fund Shares or that would subject a holder of the Fund Shares or the Hedge Provider to any loss), purchase or sell the relevant Fund Shares or any underlying assets of or related to the Fund or for the Hedge Provider to maintain such hedging arrangements and, (ii) subject as provided below, the Hedge Provider has, for a period of one calendar week following the day the Relevant Event became known to it, used reasonable efforts to mitigate the effect of the Relevant Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in it or any of its Affiliates sustaining a loss or expense of any kind and the period of one calendar week set out above shall be deemed satisfied on any date it is or becomes at any time apparent that there is no practicable means of mitigating the Relevant Event;
- 2.29 in connection with the hedging activities in relation to the Securities, if the cost to the Hedge Provider in relation to the Securities and the related hedging arrangements (including, but not limited to, new or increased taxes, duties, expenses or fees) would be

materially increased or the Hedge Provider would be subject to a material loss relating to the Securities and the related hedging arrangements;

- 2.30 in connection with the hedging activities in relation to the Securities, the Hedge Provider is unable or it becomes impractical for the Hedge Provider, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary to hedge the Swap Counterparty's obligations under the Swap Agreement or the Issuer's obligations under the Securities or (ii) to realise, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of (A) any restrictions or increase in charges or fees imposed by the Fund on any investor's ability to redeem a Fund Share, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Fund Share, or (B) any mandatory redemption, in whole or in part, of such Fund Share; or
- 2.31 at any time on or after the Trade Date, the Issuer or the Swap Counterparty (and/or any of its Affiliates) would incur an increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, capital and/or funding costs, expense or fee (other than brokerage commissions) to maintain the Securities;

Dealing Events:

- 2.32 (i) the non-execution or partial-execution by the Fund for any reason of a subscription or redemption order in respect of any Fund Shares (including, for the avoidance of any doubt, any non-execution by the Fund pending completion of its fiscal audit), (ii) the Fund suspends or refuses transfers of any of its Fund Shares (including, without limitation, if the Fund applies any gating, deferral, suspension or other similar provisions permitting the Fund to delay or refuse redemption or transfer of Fund Shares), (iii) the Fund imposes in whole or in part any restriction (including, without limitation, any redemption in specie), charge or fee in respect of a redemption or subscription of its Fund Shares by the Hedge Provider or exercises its right to claw back the proceeds already paid on redeemed Fund Shares, if in any case it could in the sole and absolute determination of the Calculation Agent have an adverse impact on the Hedge Provider's rights or obligations in relation to its hedging activities in relation to the Securities, or (iv) a mandatory redemption, in whole or in part, of the Fund Shares is imposed by the Fund on any one or more holders of Fund Shares at any time for any reason;

Miscellaneous Events:

- 2.33 the occurrence of any Additional Extraordinary Fund Event;
- 2.34 in the case of Securities linked to a Fund Basket, a Basket Trigger Event occurs;
- 2.35 the Fund or any Fund Service Provider defaults under, materially modifies, or terminates any rebate agreements in place with the Hedge Provider or any of its Affiliates;
- 2.36 if the Fund is part of an umbrella structure with more than one sub-fund, a cross-contamination or other failure to segregate the portfolio of assets held by the Fund occurs between different series, classes and/or sub-funds;
- 2.37 any security granted by the Fund or any Fund Service Provider over any of its assets is enforced or becomes capable of being enforced or any arrangement which in the determination of the Calculation Agent is comparable to security over any such assets (including without limitation any repo or prime brokerage arrangement) becomes enforceable or capable of early termination or any derivatives, repo, securities lending or other trading or dealing arrangement relating to the assets of the Fund becomes enforceable or terminable early by reason of any event of default (howsoever described) relating to the Fund or the relevant Fund Service Provider; or

- 2.38 the long-term unsecured, unsubordinated and unguaranteed debt rating assigned to any Fund Service Provider or any parent company (howsoever described) of the Fund, by Moody's Investors Service Ltd., or any successor to the ratings business thereof ("**Moody's**"), and/or Standard and Poor's Credit Market Services Europe Limited, or any successor to the ratings business thereof ("**S&P**"), is downgraded below A (S&P) or A2 (Moody's) and/or the short-term unsecured, unsubordinated and unguaranteed debt rating assigned to any Fund Service Provider by Moody's or S&P is downgraded below A-1 (S&P) or P-1 (Moody's).

References solely in this Fund Linked Condition 2 (Extraordinary Fund Events) to:

- (i) "**Fund**" shall include the Fund and any funds in which it invests any of its investible assets from time to time;
- (ii) "**Fund Shares**" shall include the Fund Shares and the shares or units in any Fund (as defined in paragraph (i) above); and
- (iii) in the case of a Private Equity Fund only, "**Extraordinary Fund Event**" shall have the meaning given to it in the applicable Final Terms.

3. **Determination of Extraordinary Fund Events**

The Calculation Agent will determine if an Extraordinary Fund Event has occurred acting in good faith and in a commercially reasonable manner. Where the occurrence of an event or set of circumstances is capable of triggering more than one Extraordinary Fund Event, the Calculation Agent shall determine which Extraordinary Fund Event is to be triggered in accordance with any equivalent determination made in respect of the relevant Swap Agreement.

In considering whether the occurrence of an event or set of circumstances triggers an Extraordinary Fund Event, the Calculation Agent may have regard to the combined effect, from the Trade Date, of any event or set of circumstances, as the case may be, if such event or set of circumstances occurs more than once.

4. **Consequences of an Extraordinary Fund Event**

- 4.1 If the Calculation Agent determines that an Extraordinary Fund Event has occurred, the Calculation Agent may, on or prior to the date on which such Extraordinary Fund Event is no longer continuing, give notice ("**Extraordinary Fund Event Notice**") to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, (which notice shall be irrevocable), of the occurrence of such Extraordinary Fund Event (the date on which an Extraordinary Fund Event Notice is given, an "**Extraordinary Fund Event Notification Date**") and set out, if determined at that time, the action that the Calculation Agent has determined to take in respect of the Extraordinary Fund Event pursuant to Fund Linked Condition 4.2 below. Where the action that the Calculation Agent has determined to take is not, for whatever reason, set out in the Extraordinary Fund Event Notice, the action that it has determined to take shall be set out in a subsequent notice given to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, as soon as reasonably practicable after the Extraordinary Fund Event Notification Date.

For such purposes, an Extraordinary Fund Event shall be considered to be "continuing" if it has not been remedied to the reasonable satisfaction of the Calculation Agent.

The Calculation Agent shall provide Holders of Securities with an Extraordinary Fund Event Notice as soon as reasonably practicable following the determination of an Extraordinary Fund Event by the Calculation Agent. However, neither the Issuer nor the

Calculation Agent shall be responsible for any loss, underperformance or opportunity cost suffered or incurred by any Holder of Securities or any other person in connection with the Securities as a result of any delay, howsoever arising. If the Calculation Agent gives an Extraordinary Fund Event Notice, the Issuer shall have no obligation to make any payment or delivery in respect of the Securities until the Calculation Agent has determined the action that the Issuer is to take pursuant to Fund Linked Condition 4.2 below.

- 4.2 Following the occurrence of an Extraordinary Fund Event, the Calculation Agent shall (i) to the extent that an equivalent adjustment or substitution or determination to take no action, as the case may be, has been made in respect of the relevant Swap Agreement, take the action described in (a), (b) or (c) below or (ii) in the event that the circumstances giving rise to such Extraordinary Fund Event result in an Additional Termination Event occurring in respect of the relevant Swap Agreement, take the action set out in (d) below:

(a) No Action

If the Calculation Agent, in its sole and absolute discretion, determines that the action to be taken by the Issuer in respect of the Extraordinary Fund Event is to be "No Action", then the Fund Linked Securities shall continue and there shall be no amendment to the relevant terms and conditions and/or the applicable Final Terms.

(b) Adjustment

If the Calculation Agent, in its sole and absolute discretion, determines that the action to be taken by the Issuer in respect of the Extraordinary Fund Event is to be "Adjustment", then the Calculation Agent may determine, in its sole and absolute discretion, the appropriate adjustment(s), if any, to be made to any one or more Fund, Fund Share and/or the Weighting and/or any of the other terms of these Fund Linked Conditions and/or the applicable Final Terms (including adjusting any Fee) to take account of the Extraordinary Fund Event and determine the effective date of such adjustment.

(c) Substitution

If the Calculation Agent, in its sole and absolute discretion, determines that the action to be taken by the Issuer in respect of the Extraordinary Fund Event is to be "Substitution", the Calculation Agent shall:

- (i) determine the weighted average price at which a Hypothetical Investor can redeem the Fund Shares in the relevant Fund in such number as determined by the Calculation Agent in its sole and absolute discretion as soon as it is reasonably practicable following the Extraordinary Fund Event;
- (ii) for a period of not longer than 14 calendar days following the date on which a Hypothetical Investor would have received proceeds from a redemption order in full submitted by the Hedge Provider as soon as practicable following the occurrence of an Extraordinary Fund Event, use reasonable efforts to substitute the Fund Shares with shares, units or other similar interests in an alternative fund which, in the sole and absolute determination of the Calculation Agent, has similar characteristics to the relevant Fund, including but not limited to, comparable investment objectives, investment restrictions and investment processes and has service providers acceptable to the Calculation Agent;
- (iii) if no alternative fund can be determined pursuant to the preceding subparagraph (ii) above, use reasonable efforts to substitute the Fund with an index (or a fund tracking such index) selected by the Calculation Agent in its sole and absolute discretion; and

- (iv) following any substitution in accordance with sub-paragraph (ii) or (iii) above, the Calculation Agent may, in its sole and absolute discretion, make such determinations and/or adjustments to these Fund Linked Conditions and/or the applicable Final Terms as it determines to be appropriate to take account of such Substitution.

(d) Termination

If the Calculation Agent determines that the action to be taken by the Issuer in respect of the Extraordinary Fund Event is to be "Termination", on giving notice to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, (which such notice may be included in the Extraordinary Fund Event Notice in respect of the relevant Extraordinary Fund Event and will specify the applicable Termination Date), all but not some only of the outstanding Fund Linked Securities shall be redeemed (in the case of Notes and Certificates) or cancelled (in the case of Warrants) by payment to the Holders of Securities of the Termination Amount on, or as soon as reasonably practicable thereafter, the Termination Date, subject to Fund Linked Condition 5. Payments will be made in such manner as shall be notified to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable.

(e) General

Notwithstanding any other provision of this Fund Linked Condition 4, in exercising its discretion in respect of Fund Linked Condition 4.2 above, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar determination or selection or any other adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Extraordinary Fund Event.

In determining to take a particular action as a result of an Extraordinary Fund Event, the Calculation Agent is under no duty to consider the interests of any Holders of Securities or any other person. In making any determination as to which action to take following the occurrence of an Extraordinary Fund Event, neither the Issuer nor the Calculation Agent shall be responsible for any loss (including any liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders of Securities or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

5. **Redemption/Termination Date Extension**

In the case of Cash Settled Securities, if on the date falling two Business Days prior to the date which is scheduled to be the Maturity Date (the "**Scheduled Maturity Date**") (in the case of Notes), or the date which is scheduled to be the Redemption Date (the "**Scheduled Redemption Date**") (in the case of Certificates) or the Automatic Early Redemption Date (in the case of Notes and Certificates) or the date which is scheduled to be the Exercise Date (the "**Scheduled Exercise Date**") (in the case of Warrants) or the Termination Date, as the case may be, the Hedge Provider has not, after having placed one or more redemption orders in respect of its holding of Fund Shares in accordance with the terms of the relevant Fund Documents, received redemption proceeds in full in respect of such Fund Shares (the "**Redemption Proceeds**"), the Calculation Agent may notify the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, that the Maturity Date, the Redemption Date, the Automatic Early Redemption Date, the Cancellation Date or the Termination Date, as the case may be, has been postponed. As soon as practicable following receipt by the Hedge Provider of the Redemption Proceeds the Calculation Agent shall give notice to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the

Certificates, as applicable, (such notice the "**Delayed Payment Notice**") and the Issuer shall redeem the Notes or Certificates, or cancel the Warrants, as the case may be, on the date falling not more than five Business Days following the receipt of the Delayed Payment Notice (such date, the "**Postponed Settlement Date**") by payment to each Holder of Securities of the Redemption Amount, the Automatic Early Redemption Amount, the Cancellation Amount or the Termination Amount, as the case may be, provided that, if the Hedge Provider does not receive the Redemption Proceeds within the period ending on the Delayed Payment Cut-off Date, the Postponed Settlement Date shall be the Delayed Payment Cut-off Date.

In the case of interest bearing Notes and Certificates, the Issuer shall be obliged to pay interest calculated as provided in Condition 5 of the Notes or Condition 4 of the Certificates, as applicable, accruing from (and including) the Interest Period End Date immediately preceding the Scheduled Maturity Date, the Scheduled Redemption Date the Automatic Early Redemption Date or the Termination Date, as the case may be, (or, if none, the Interest Commencement Date) to (but excluding) the Scheduled Maturity Date, the Scheduled Redemption Date, the Automatic Early Redemption Date or the Termination Date, as the case may be, but shall only be obliged to make such payment of interest on the Postponed Settlement Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay.

ANNEX 8

ADDITIONAL TERMS AND CONDITIONS FOR MARKET ACCESS SECURITIES

*The terms and conditions applicable to Market Access Securities shall comprise, in the case of Notes, the Terms and Conditions of the Notes (as set out under the heading "Terms and Conditions of the Notes" above and, for the avoidance of doubt, not including Annexes 1 to 10), in the case of Warrants, the Terms and Conditions of the Warrants (as set out under the heading "Terms and Conditions of the Warrants" above and, for the avoidance of doubt, not including Annexes 1 to 8 or 10) and, in the case of Certificates, the Terms and Conditions of the Certificates (as set out under the heading "Terms and Conditions of the Certificates" above and, for the avoidance of doubt, not including Annexes 1 to 10), as applicable (the "Conditions") and the additional Terms and Conditions set out below (the "**Market Access Conditions**"), and any other additional Terms and Conditions that may be specified in the Final Terms (the "**Additional Terms and Conditions**") in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Conditions and the Market Access Conditions, the Market Access Conditions set out below shall prevail. In the event of any inconsistency between (i) the Conditions and/or the Market Access Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1. Interim Payment Amount/Interim Coupon Amount

If so specified in the applicable Final Terms, the following provisions shall apply:

- (A) The Issuer will pay an amount in cash in respect of each Security equal to any then unpaid Interim Payment Amount or Interim Coupon Amount in accordance with this Market Access Condition 1.
- (B) The Calculation Agent will (i) provide written notice to the Issuing and Paying Agent (in the case of Notes) or the Principal Warrant and Certificate Agent (in the case of Warrants or Certificates, as applicable), on or prior to 10.30 a.m. Brussels or Luxembourg time (as appropriate), on the Business Day immediately succeeding the date any Applicable Cash Dividend Amount or any Applicable Cash Coupon Amount, or any Applicable Cash Distribution Amount, as applicable, is received by a Qualified Investor entitled to receive it, of the Interim Payment Amount or the Interim Coupon Amount to be paid with respect to each Security, in relation thereto, and (ii) pay such Interim Payment Amount or the Interim Coupon Amount to the Issuing and Paying Agent (in the case of Notes) or the Principal Warrant and Certificate Agent (in the case of Warrants or Certificates, as applicable) in time for payment to the Holders of Securities on the Interim Payment Date or the Interim Coupon Date, as applicable.
- (C) Payment of an Interim Payment Amount or an Interim Coupon Amount shall be made to the Holder of Securities on the applicable Interim Payment Date or Interim Coupon Date. If the Share Company or the Basket Company or the Security Issuer, as applicable, fails to deliver to a Qualified Investor entitled to receive it any Applicable Cash Dividend Amount or any Applicable Cash Coupon Amount or any Applicable Cash Distribution Amount, as applicable, before the 120th day after the earliest of, in the case of Notes, any Maturity Date or, in the case of Warrants, the Actual Exercise Date or the Expiration Date or, in the case of Certificates, the Redemption Date (the "**Applicable Cash Dividend Failure Date**" or "**Applicable Cash Coupon Failure Date**" or "**Applicable Cash Distribution Failure Date**"), the Holders of Securities will receive no payment in respect of any such unpaid Applicable Cash Dividend Amount or Applicable Cash Coupon Amount or any Applicable Cash Distribution Amount, and the Calculation Agent will provide written notice to the Agent promptly after such Applicable Cash Dividend Failure Date or the Applicable Cash Coupon Failure Date or the Applicable Cash Distribution Failure Date.

- (D) The Calculation Agent will determine the Interim Payment Amount or the Interim Coupon Amount, if any, of the Securities in its discretion acting in good faith and in a commercially reasonable manner.
- (E) Definitions relating to Interim Payment Amount/Interim Coupon Amount

Unless otherwise specified in the applicable Final Terms:

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

"Applicable Cash Coupon Amount" shall mean the net cash coupon on one Debt Security, paid to a Qualified Investor entitled to receive it in respect of any single declaration of cash interests, expressed in the Settlement Currency as determined by the Calculation Agent, the Coupon Payment Dates for which falls during the period from and including the Issue Date to and including 10.00 a.m. Brussels or Luxembourg time (as appropriate) on (i) in the case of Notes, the Maturity Date or any earlier date on which the relevant Note becomes due for redemption in respect of Notes held through Euroclear and/or Clearstream, Luxembourg, (ii) in the case of Warrants, the earlier of any Actual Exercise Date and the Expiration Date in respect of the Warrants held through Euroclear and/or Clearstream, Luxembourg or (iii) in the case of Certificates, the Redemption Date or any earlier date on which the relevant Certificate becomes due for redemption in respect of Certificates held through Euroclear and/or Clearstream, Luxembourg;

"Applicable Cash Distribution Amount" shall mean the (i) net cash distribution or (ii) net sale proceeds of any property in respect of one Share, paid to a Qualified Investor entitled to receive it in respect of any single cash distribution or sale, expressed in the Settlement Currency as determined by the Calculation Agent, the record or effective date for which falls during the period from and including the Issue Date to and including 10.00 a.m. Brussels or Luxembourg time (as appropriate) on (i) in the case of Notes, the Maturity Date or any earlier date on which the relevant Note becomes due for redemption in respect of Notes held through Euroclear and/or Clearstream, Luxembourg, (ii) in the case of Warrants, the earlier of any Actual Exercise Date and the Expiration Date in respect of Warrants held through Euroclear and/or Clearstream, Luxembourg or (iii) in the case of Certificates, the Redemption Date or any earlier date on which the relevant Certificate becomes due for redemption in respect of Certificates held through Euroclear and/or Clearstream, Luxembourg;

"Applicable Cash Dividend Amount" shall mean the net cash dividend on one Share, paid to a Qualified Investor entitled to receive it in respect of any single declaration of cash dividends, expressed in the Settlement Currency as determined by the Calculation Agent, the ex-dividend date for which falls during the period from and including the Issue Date to and including 10.00 a.m. Brussels or Luxembourg time (as appropriate) on (i) in the case of Notes, the Maturity Date or any earlier date on which the relevant Security becomes due for redemption in respect of Notes held through Euroclear and/or Clearstream, Luxembourg, (ii) in the case of Warrants, the earlier of any Actual Exercise Date and the Expiration Date in respect of Warrants held through Euroclear and/or Clearstream, Luxembourg or (iii) in the case of Certificates, the Redemption Date or any earlier date on which the relevant Certificate becomes due for redemption in respect of Securities held through Euroclear and/or Clearstream, Luxembourg;

"Coupon Payment Dates" means the dates falling after the Issue Date on which the Security Issuer is scheduled to pay interest on the Debt Securities, which is specified in the Final Terms;

"Debt Securities Amount" means, subject to adjustment in accordance with Annex 3, the number of underlying Debt Securities per Security as specified in the Final Terms;

"Interim Coupon Amount" shall mean an amount in the Settlement Currency equal to the product of (a) any Applicable Cash Coupon Amount and (b) the Debt Securities Amount applicable on the relevant Coupon Payment Date (net of any and all withholding taxes based upon the maximum statutory rates (or any other rate specified in the Final Terms) applicable to a Qualified Investor in connection with the receipt of such interest);

"Interim Coupon Date" means the fifth Business Day following the date the relevant Applicable Cash Coupon Amount is received by a Qualified Investor entitled to receive it;

"Interim Payment Amount" shall mean an amount in the Settlement Currency equal to the product of (a) any Applicable Cash Dividend Amount or any Applicable Cash Distribution Amount, as applicable, and (b) the Share Amount applicable on the relevant ex-dividend date (or in the case of Share Linked Securities linked to GDRs or ADRs, the Share Amount applicable on the relevant record date in respect of the Shares (net of any and all withholding taxes based upon the maximum statutory rates (or any other rate specified in the Final Terms) applicable to a Qualified Investor in connection with the receipt of such dividends or distributions));

"Interim Payment Date" means the fifth Business Day following the date the relevant Applicable Cash Dividend Amount or Applicable Cash Distribution Amount, as applicable, is received by a Qualified Investor entitled to receive it;

"Security Issuer" means, subject to adjustment in accordance with Annex 3, the issuer of the Debt Security; and

"Share Amount" shall mean, subject to adjustment in accordance with Annex 2, the number of underlying Shares per Security as specified in the Final Terms.

2. **Potential Adjustment Event**

If so specified in the applicable Final Terms, Share Linked Condition 2 shall be amended by the addition of the following at the end of the penultimate paragraph:

Any adjustment to the terms of the Securities following a Potential Adjustment Event shall take into account the economic cost of any taxes, duties, levies, fees or registration payable by or on behalf of the Issuer or any of its relevant Affiliates or a Qualified Investor charged on subscription, acquisition or receipt (sale or disposal) of any Shares or other securities received as a result of the Potential Adjustment Event, such calculations to be determined and carried out by the Calculation Agent in good faith. In respect of an event as set out in sub-paragraph 2(a)(ii) of the definition of Potential Adjustment Event (as amended by Share Linked Condition 11), in lieu of making any adjustment to the terms of the Securities, the Issuer or a Qualified Investor may exercise its discretion to sell any or all of the property a holder of the Shares should receive and pass the net sale proceeds to the Holders of Securities instead in accordance with Share Linked Condition 2.

3. **Stock Dividends or Stock Distributions and Rights Issues**

If so specified in the Final Terms, the following provisions shall apply:

- (A) In the event that a stock dividend in respect of the Shares or dividend in the form of Shares (a **"Stock Dividend"**) is declared by the Share Company or the Basket Company,

as applicable, during the period from and including the Issue Date to but excluding, in the case of Notes, the Maturity Date or, in the case of Warrants, the Expiration Date or, in the case of Certificates, the Redemption Date (or in the case of Share Linked Securities linked to GDRs or ADRs, in the event that there has been any stock distribution (a "**Stock Distribution**") in respect of the Underlying Shares the record or effective date of which falls during the period from and including the Issue Date to but excluding, in the case of Notes, the Maturity Date or any earlier date on which the relevant Notes become due for redemption or, in the case of Warrants, the Expiration Date or, in the case of Certificates, the Redemption Date or any earlier date on which the relevant Certificates become due for redemption), in lieu of making an adjustment to the Securities, the Issuer may issue an amount of further Securities (the "**Further Securities**") to the Holder of Securities that would receive such Stock Dividend or Stock Distribution according to market practice in relation to a sale of Shares executed on the Business Day preceding the date of declaration of such Stock Dividend (or in the case of Share Linked Securities linked to GDRs or ADRs, on the Business Day preceding the record or effective date in relation to such Stock Distribution) (if such Holder of Securities had been the buyer in such sale) to reflect the issue of the Stock Dividend or Stock Distribution (as adjusted for any withholding tax or charges) notwithstanding that such person may not be the Holder of Securities as of the date on which the Further Securities are issued. Further Securities issued pursuant to this paragraph may be issued to the Holders of Securities free of charge or at an issue price as determined in the sole discretion of the Calculation Agent acting in good faith.

- (B) In addition, in the event that a rights issue (a "**Rights Issue**") in respect of the Shares is declared by the Share Company or the Basket Company during the period from and including the Issue Date to but excluding, in the case of Notes, the Maturity Date or any earlier date on which the relevant Notes become due for redemption or, in the case of Warrants, the Expiration Date or, in the case of Certificates, the Redemption Date or any earlier date on which the relevant Certificates become due for redemption, in lieu of making an adjustment to the Securities, the Issuer may issue an amount of Further Securities to the Holder of Securities that would receive such Rights Issue according to market practice in relation to a sale of Shares executed on the Business Day preceding the date of declaration of such Rights Issue (or in the case of Share Linked Securities linked to GDRs or ADRs, on the Business Day preceding the record or effective date in relation to such Rights Issue) (if such Holder of Securities had been the buyer in such sale) to reflect the Rights Issue (as adjusted for any withholding tax or charges) notwithstanding that such person may not be the Holder of Securities as of the date on which the Further Securities are issued. Further Securities issued pursuant to this paragraph may be issued to the Holders of Securities at an issue price as determined in the sole discretion of the Calculation Agent acting in good faith.
- (C) The Issuer may issue the Further Securities, if any, to the relevant person five Business Days following the day on which a foreign investor would have received the relevant Stock Dividends or Shares upon exercise of the Rights Issue or such later date as the Calculation Agent shall determine in its sole discretion. Any determination by the Calculation Agent in respect of the persons to whom the Further Securities should be issued shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Holders of Securities.
- (D) If a Holder of Securities holds more than one Security, the number of Securities held by such Holder of Securities may be aggregated for the purposes of determining the number of Further Securities to be issued to such Holder of Securities pursuant to the above.
- (E) In the event that any Further Securities are to be issued at an issue price, no Holder of Securities will be obliged to purchase such Further Securities but if such Further Securities are not purchased pursuant to the relevant terms of offer, the Issuer shall have

no further obligations to the relevant Holder of Securities in respect of such Stock Dividend or Rights Issue, as the case may be.

- (F) Upon the declaration of a Stock Dividend or a Rights Issue by the Share Company or the Basket Company and the election by the Calculation Agent for the Issuer to issue Further Securities, the Calculation Agent shall give notice as soon as practicable to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, stating the declaration of the Stock Dividend or the Rights Issue, the election by the Calculation Agent for the Issuer to issue Further Securities and giving details thereof.

4. **Issuer's option following an Additional Disruption Event or Optional Additional Disruption Event**

If so specified in the applicable Final Terms, the following provisions shall apply:

- (A) **Issuer's Option following Additional Disruption Event or Optional Additional Disruption Event**

Upon the occurrence of any event that constitutes more than one of an Additional Disruption Event, an Optional Additional Disruption Event that is specified as applicable in the applicable Final Terms or a Market Disruption Event, the Calculation Agent shall have sole discretion to determine which one or more of such events it shall be deemed to constitute, provided that the Calculation Agent shall, to the extent possible, make such determination in accordance with any equivalent or similar determination made pursuant to the relevant Swap Agreement. The Calculation Agent shall act in good faith in making such determination.

If the Calculation Agent elects to give notice to Holders of Securities of the occurrence of an Additional Disruption Event or applicable Optional Additional Disruption Event, it shall, subject to Market Access Condition 4(D) below, state in such notice whether the Notes or Certificates, as applicable, will be redeemed or the Warrants will be cancelled (in whole or in part) pursuant to Market Access Condition 4(B) below or whether the Issuer's obligations under the Securities will be suspended pursuant to Market Access Condition 4(C) below. If the Calculation Agent elects to give notice to Holders of Securities of a suspension of the Issuer's obligations under the Securities pursuant to Market Access Condition 4(C) below, the Calculation Agent shall nevertheless retain the right at all times to require the Issuer to redeem the Notes or Certificates, as applicable, and/or cancel the Warrants pursuant to Market Access Condition 4(B) below by giving notice to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable.

- (B) **Cancellation and Redemption**

Upon the Calculation Agent's election to redeem the Notes or Certificates, as applicable, or cancel the Warrants as aforesaid (or upon expiry of the 30 day period referred to in paragraph (C) below), the Issuer will, in respect of each and every Security redeemed or cancelled (the "**Redeemed Note**", "**Redeemed Certificate**" or the "**Terminated Warrant**", as applicable) cause to be paid to the Holders of Securities an amount determined to be the fair market value of the Redeemed Note or Redeemed Certificate, as applicable, as at redemption or the Terminated Warrant as at cancellation (both of which may be nil) taking into consideration all information which the Calculation Agent deems relevant (including the circumstances that resulted in the occurrence of the Additional Disruption Event or Optional Additional Disruption Event) less the cost to the Swap Counterparty and/or its Affiliates of unwinding the relevant Swap Agreement (if any) and any related hedging arrangements (including but not limited to selling or otherwise

realising the Shares or the Debt Securities or any options or futures contracts in relation to the Shares or the Debt Securities), all as determined by the Calculation Agent in its discretion acting in good faith and in a commercially reasonable manner. At the election of the Calculation Agent such payment may be made in the Local Currency in the Relevant Jurisdiction, in which case the Holders of Securities will have responsibility for establishing an account in the Relevant Jurisdiction in order to receive such payments; provided that if it is impracticable or unlawful for the Issuer to pay such amount in the Relevant Jurisdiction, or the relevant Holders of Securities do not establish the necessary account in the Relevant Jurisdiction, to receive payment(s) in the currency the Calculation Agent elects, the Issuer shall not be obliged to make payment of any such amounts so affected, as applicable. Payment will be made, as the case may be, in such manner as shall be notified to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable.

(C) Suspension

Upon the Calculation Agent's election to suspend the Securities, the Issuer's obligations in respect of the Securities may be suspended up until the tenth day after such Additional Disruption Event or Optional Additional Disruption Event shall cease to exist. In the event that such date shall not have arisen before the date which falls 30 days after, in the case of Notes, the Maturity Date or any earlier date on which the Notes become due for redemption or, in the case of Warrants, the Expiration Date or, in the case of Certificates, the Redemption Date or any earlier date on which the Certificates become due for redemption, the Securities shall be redeemed or cancelled, as applicable, pursuant to paragraph (B) above.

(D) Swap Agreement Determination

Notwithstanding any other provision of this Market Access Condition 4, in exercising its discretion in respect of Market Access Condition 4(A) above, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar determination, election or any other adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Additional Disruption Event or Optional Additional Disruption Event.

(E) Conclusive Determination

All determinations made by the Calculation Agent pursuant to this Market Access Condition 4 shall be conclusive and binding on the Holders of Securities and the Issuer. No Holders of Securities will be entitled to any compensation from the Issuer, the Swap Counterparty, the Calculation Agent or any of their Affiliates for any loss suffered as a result of the occurrence of an Additional Disruption Event or applicable Optional Additional Disruption Event.

5. **Regulatory Change Event**

If so specified in the applicable Final Terms, the following provisions shall apply:

Upon the occurrence of a Regulatory Change Event, the Calculation Agent will, to the extent that an equivalent or similar adjustment has been made in respect of the relevant Swap Agreement, (a) make the corresponding adjustment, if any, to any one or more of any Share Amount and/or the Cash Settlement Amount and/or any of the other terms of the terms and conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for the effect of such Regulatory Change Event and (b) determine the effective date of that adjustment.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, stating the adjustment to any Exercise Price (in the case of Warrants only) and/or Share Amount and/or the Cash Settlement Amount and/or any of the other terms of the terms and conditions and/or the applicable Final Terms and giving brief details of the Regulatory Change Event.

"Regulatory Change Event" means any event which, in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner, constitutes:

- (1) the adoption of, change in or change in the interpretation or administration of, any law, rule or regulation by any governmental authority, central bank or comparable agency ("**governmental authority**"); and/or
- (2) the compliance by the Issuer and/or any of its Affiliates with any request or directive of any governmental authority (whether or not having the force of law),

and which (1) imposes, modifies, applies or eliminates any tax, reserve, special deposit, insurance assessment or any other requirement in respect of assets or deposits of the Issuer and/or any of its Affiliates in respect of (i) issue and/or redemption in respect of the Notes or Certificates and/or exercise in respect of the Warrants, as applicable, or (ii) any transaction entered into by the Issuer and/or any of its Affiliates to hedge, either directly or indirectly, the obligations of the Issuer in respect of the Securities; and/or (2) affects in any other way the cost to the Issuer and/or any of its Affiliates of: (i) the issue and/or redemption in respect of the Notes or Certificates and/or exercise in respect of the Warrants, as applicable; and/or (ii) the cost to the relevant Swap Counterparty (if any) hedging, either directly or indirectly, the obligations of the Issuer in respect of the Securities.

6. **Debt Securities Early Redemption Event**

If so specified in the applicable Final Terms, the following provisions shall apply:

- (A) In the event that in the determination of the Calculation Agent, the Debt Securities (in whole or in part) (x) become due and repayable by reason of a default in payment, an event of default or any similar credit event of the Security Issuer, or (y) become due and repayable on a date prior to its maturity date (other than by reason of any default), or (z) become subject to conversion into underlying shares or stock (each a "**Debt Securities Early Redemption Event**"), the Calculation Agent will be entitled to:
 - (i) require the Issuer to, upon giving notice to the Holders of Securities in accordance with Condition 18 (in respect of Notes), Condition 17 (in respect of Warrants) or Condition 19 (in respect of Certificates), as applicable, redeem the Notes or Certificates or cancel the Warrants, as the case may be, and pay the Debt Securities Early Redemption Amount to each Holder of Securities in respect of each Security held by him on the Debt Securities Early Termination Date; or
 - (ii) in relation to a redemption and/or conversion in part of the Debt Securities (a "**Partial Early Redemption**"), determine whether such partial redemption and/or conversion affects the Debt Securities held by the Issuer and/or the Swap Counterparty and/or its Affiliates in order to hedge the Issuer's obligations in respect of the Securities or the Swap Counterparty's obligations under the Swap Agreement (if any) (the "**Aggregate Hedge Position**") or otherwise makes it impossible, impracticable or unduly onerous for the Issuer and/or the Swap Counterparty and/or its Affiliates to hedge the Issuer's obligations in respect of the Securities or the Swap Counterparty's obligations under the Swap Agreement (if

any) and, if so, gives notice to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable,

and:

- (x) pay the Debt Securities Early Redemption Amount to each Holder of Securities in respect of each Security held by him on the Debt Securities Early Termination Date; and/or
- (y) reduce the Debt Securities Amount by an amount equal to the Affected Portion and/or determine in its sole discretion the appropriate adjustment, if any, to be made to any one or more of the Settlement Price and/or any of the other terms of these Conditions and/or the Final Terms to account for such payment and determine the effective date of that adjustment.

Notwithstanding any other provision of this Market Access Condition 6, in exercising its discretion in respect of Market Access Condition 6(A) above, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar determination or election or any other adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Debt Securities Early Redemption Event.

Payments will be made in such manner as shall be notified to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable.

(B) Definitions

For the purposes of this Market Access Condition 6:

"Debt Securities Early Termination Date" means the date falling four Business Days after the date on which the Debt Securities Early Redemption Amount is determined.

"Debt Securities Early Redemption Securities Amount" means (a) in the case of Market Access Condition 6(A)(i), the Debt Securities Amount and (b) in the case of Market Access Condition 6(A)(ii), each Security's *pro rata* portion (the Affected Portion) of the nominal amount of Debt Securities comprising the Aggregate Hedge Position affected by the Partial Early Redemption, all as determined by the Calculation Agent in its sole and absolute discretion.

"Debt Securities Early Redemption Amount" means, in respect of each Note, each Warrant or each Certificate, as the case may be, an amount calculated by the Calculation Agent equal to the arithmetic average price per Debt Securities Early Redemption Securities Amount (net of any costs) which the Issuer or its Affiliate obtains in selling or otherwise realising the Debt Securities (the **"Sale Proceeds"**), provided however that:

- (iii) if Market Access Condition 6(A)(i) applies in respect of the relevant Securities, the Issuer may elect to pay, in lieu of the Sale Proceeds, the amount of principal which a Qualified Investor would have received pursuant to the terms of the Debt Securities as a result of the Debt Securities Early Redemption Event if it held the Debt Securities Early Redemption Securities Amount (net of any costs, including those that would have been withheld in relation to payment of such cash amount to a Qualified Investor); or
- (iv) if Market Access Condition 6(A)(ii) applies in respect of the relevant Securities, the Issuer may elect to pay, in lieu of the Sale Proceeds, the arithmetic average price per Debt Securities Early Redemption Securities Amount and, in the case of

Warrants, net of any costs which the Issuer and/or the Swap Counterparty and/or its Affiliates incurs in selling or otherwise realising the underlying shares or stock after conversion (the "**Shares**"),

and in the case of Warrants, such resulting amount to be converted into the Settlement Currency at the Exchange Rate.

7. Early Exercise Event

If so specified in the applicable Final Terms, the following provisions shall apply in respect of Warrants only:

If an Early Exercise Event (as defined in the applicable Final Terms) occurs, the Issuer shall have the right to accelerate the Exercise Date or Expiration Date, as applicable, of all or some only of the outstanding Warrants by giving notice of its election and of the number of Warrants to be early exercised (the "**Early Terminated Warrants**") to the Warrantholders in accordance with Condition 17 of the Warrants with a copy sent to the Registrar (in the case of Registered Warrants) and the Trustee. In the event that the Issuer decides to exercise its right to accelerate the Exercise Date or Expiration Date, as applicable, of some only of the outstanding Warrants, the Issuer may, subject to the standard procedures of Euroclear and/or Clearstream, Luxembourg, arrange for the Early Terminated Warrants to be selected individually by lot to determine which interests in the Clearing System Global Warrant are to be subject to the exercise of such right.

For the avoidance of doubt, in such case, the Issuer will, in respect of each and every Warrant, cause to be paid to the holder of each such Warrant the Cash Settlement Amount specified in the Final Terms.

8. Additional Condition

If so specified in the applicable Final Terms, the following provisions shall apply:

The Issuer may modify or amend the terms and conditions of the Securities or the applicable Final Terms without the consent of the Holders of Securities in any manner which the Issuer may deem necessary or desirable for the purpose of obtaining listing of the Securities on the Official List of the Luxembourg Stock Exchange and admission to trading on the regulated market of the Luxembourg Stock Exchange as promptly as practicable provided that any such modification or amendment is not materially prejudicial to the Holders of Securities.

9. Securities linked to underlying shares that are yet to be listed

If so specified in the applicable Final Terms, the following provisions shall apply:

- (A) The Issuer may, by notice to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, redeem all but not some only of the Notes or Certificates, as applicable, or, in the case of Warrants, cancel all but not some only of the Warrants, if, upon the expiration of three months after the Expected Listing Date (as specified in the Final Terms), the Shares do not become listed at the Scheduled Closing Time on the Exchange as specified in the Final Terms, on or before such date, all as determined by the Calculation Agent in its sole and absolute discretion and in a commercially reasonable manner. The Issuer will, in respect of each and every Security, cause to be paid to the holder of each such Security the Cash Settlement Amount specified in the applicable Final Terms. For the purposes of calculating the Cash Settlement Amount of any Warrant pursuant to this paragraph, the Settlement Price shall be equal to the Issue Price per Warrant (net of any Costs).
- (B) All determinations made by the Calculation Agent pursuant to the foregoing paragraph shall be conclusive and binding on the Holders of Securities and the Issuer. No Holder of

Securities will be entitled to any compensation from the Issuer or the Calculation Agent and/or any of their Affiliates for any loss suffered as a result of the Shares not becoming listed on the Exchange at the Scheduled Closing Time on or before the expiration of three months after the Expected Listing Date.

ANNEX 9

ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED SECURITIES

*The terms and conditions applicable to Credit Linked Securities shall comprise, in the case of Notes, the Terms and Conditions of the Notes (the "**Conditions of the Notes**") (as set out under the heading "Terms and Conditions of the Notes" above and, for the avoidance of doubt, not including Annexes 1 to 10) and, in the case of Certificates, the Terms and Conditions of the Certificates (as set out under the heading "Terms and Conditions of the Certificates" above and, for the avoidance of doubt, not including Annexes 1 to 10), as applicable (the "**Conditions**") and the additional Terms and Conditions set out below (the "**Credit Linked Conditions**") and any other additional Terms and Conditions that may be specified in the Final Terms (the "**Additional Terms and Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Conditions and the Credit Linked Conditions, the Credit Linked Conditions shall prevail. In the event of any inconsistency between (i) the Conditions and/or the Credit Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1. General

(A) Credit Terms

The Final Terms shall specify:

- (i) the type of Credit Linked Securities, being Single Reference Entity Credit Linked Securities, Nth-to-Default Credit Linked Securities, Linear Basket Credit Linked Securities or such other type as may be specified in the Final Terms;
- (ii) the Settlement Method (if not Auction Settlement) and, where Auction Settlement applies, the applicable Fallback Settlement Method;
- (iii) the Reference Entity or Reference Entities in respect of which a Credit Event may occur;
- (iv) the Reference Obligation(s) (if any) in respect of each Reference Entity;
- (v) the Trade Date and the Scheduled Maturity Date or Scheduled Redemption Date, as applicable;
- (vi) the Transaction Type applicable to each Reference Entity; and
- (vii) the Reference Entity Notional Amount in respect of each Reference Entity.

(B) Physical Settlement Matrix

Where a Transaction Type is specified in the Final Terms in respect of any Reference Entity, then the provisions of these Credit Linked Conditions shall apply with respect to such Reference Entity in accordance with the Physical Settlement Matrix as it applies to such Transaction Type, as though such Physical Settlement Matrix were set out in full in the Final Terms.

(C) Additional Provisions

If, in accordance with the specified Transaction Type or otherwise, any Additional Provisions are applicable, these Credit Linked Conditions shall take effect subject to the provisions thereof.

(D) Linear Basket Credit Linked Securities

If the Credit Linked Securities are Linear Basket Credit Linked Securities, then the provisions of these Credit Linked Conditions relating to redemption of Credit Linked Securities and settlement of the Credit Default Swap Agreement following satisfaction of Conditions to Settlement, extension of maturity or the redemption date, as applicable, of Credit Linked Securities on delivery of an Extension Notice, cessation or suspension of accrual of interest or accrual and payment of interest following the Scheduled Maturity Date or Scheduled Redemption Date, as applicable, shall apply separately with respect to each Reference Entity and a portion of each Credit Linked Security corresponding to the Reference Entity Notional Amount of such Reference Entity divided by the number of Credit Linked Securities then in issue. The remaining provisions of these Credit Linked Conditions shall be construed accordingly.

2. **Redemption**

(A) Redemption absent satisfaction of Conditions to Settlement

The Issuer will redeem each Credit Linked Security on the related Credit Security Redemption Date (as such date may be extended in accordance with the definition thereof) by payment of an amount equal to the outstanding principal amount (in the case of Notes) or the Cash Settlement Amount (in the case of Certificates), as applicable, of such Credit Linked Security (or, in the case of Linear Basket Credit Linked Securities, the relevant portion thereof) (together with interest, if any, payable thereon) unless:

- (i) the Credit Linked Securities have been previously redeemed or purchased and cancelled in full (including pursuant to Credit Linked Conditions 2(B), 2(C) or 2(D)); or
- (ii) the Conditions to Settlement have been satisfied, in which event the Issuer shall redeem the Credit Linked Securities in accordance with Credit Linked Condition 2(B).

(B) Redemption following satisfaction of Conditions to Settlement

Upon satisfaction of the Conditions to Settlement in relation to any Reference Entity, each Credit Linked Security (or, in the case of Linear Basket Credit Linked Securities, the relevant portion thereof) will be subject to redemption:

- (i) if the applicable Settlement Method is Auction Settlement, by payment of its *pro rata* share of the Auction Settlement Amount on the Auction Settlement Date, unless a Fallback Settlement Event occurs, in which event the Issuer shall perform its respective payment and/or delivery obligations in accordance with the applicable Fallback Settlement Method. If the Conditions to Settlement with respect to a new Credit Event are satisfied following the occurrence of a Fallback Settlement Event with respect to a first Credit Event and no Fallback Settlement Event occurs with respect to such new Credit Event, the Issuer shall, if the Swap Counterparty so elects on or prior to a related Valuation Date or Delivery Date, redeem the Credit Linked Securities in accordance with this Credit Linked Condition 2(B)(i) by Auction Settlement;
- (ii) if the applicable Settlement Method is Physical Settlement in accordance with Credit Linked Condition 4; and
- (iii) if the applicable Settlement Method is Cash Settlement, by payment of its *pro rata* share of the Credit Event Cash Settlement Amount on the Cash Settlement Date.

Where the Securities are Nth-to-Default Credit Linked Securities, the Conditions to Settlement shall not be satisfied with respect to the Securities until the Conditions to

Settlement are satisfied with respect to the Nth Reference Entity. Where the Securities are Nth-to-Default Credit Linked Securities and the Conditions to Settlement are satisfied with respect to more than one Reference Entity on the same day, the Swap Counterparty shall determine in its sole discretion the order in which such Conditions to Settlement were satisfied.

(C) Suspension of obligations

If a Credit Event Resolution Request Date occurs or if a notice is delivered to ISDA as contemplated in the definition of "Credit Event Resolution Request Date" in relation to any Reference Entity, then (unless the Swap Counterparty otherwise elects by written notice to the Issuer, the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, the Calculation Agent and the Trustee) from the date delivery of such notice is effective (and notwithstanding that the relevant Credit Derivatives Determination Committee has yet to determine whether Publicly Available Information is available or that a Credit Event has occurred), any obligation of the Issuer to redeem any Credit Linked Security (including pursuant to Credit Linked Condition 2(B)) or pay any amount of interest which would otherwise be due thereon (and any related obligation of the Swap Counterparty under the Credit Default Swap Agreement) shall, insofar as it relates to the relevant Reference Entity, be and remain suspended until such time as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved with respect to such Reference Entity:

- (i) the matters described in sub-paragraphs (a) and (b) of the definition of "Credit Event Resolution Request Date"; or
- (ii) not to determine such matters.

During such suspension period, neither the Issuer nor the Swap Counterparty shall be obliged to, nor are they entitled to, take any action in connection with the settlement of any credit derivative transaction to which the Credit Default Swap Agreement relates or the Credit Linked Securities, in each case insofar as they relate to the relevant Reference Entity. Once ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved the matters set out in paragraphs (i) and (ii) above, such suspension shall terminate and any obligations so suspended shall resume on the basis of such Resolution on the Credit Security Business Day following such public announcement by ISDA, with the Swap Counterparty and the Issuer having the benefit of the full day notwithstanding when the suspension began. Any amount of interest so suspended shall, subject always to Credit Linked Condition 3(A), become due on the date determined by the Calculation Agent, in its sole discretion but not later than fifteen Business Days following such public announcement by ISDA.

For the avoidance of doubt, no interest shall accrue on any payment of interest or principal which is deferred in accordance with this Credit Linked Condition 2(C).

(D) Additional Credit Linked Security Disruption Events

If the Calculation Agent determines that an Additional Credit Linked Security Disruption Event has occurred, the Issuer may redeem the Credit Linked Securities by giving notice to the relevant Holders of Securities in accordance with, in the case of Notes, Condition 18 of the Notes or, in the case of Certificates, Condition 19 of the Certificates. If the Credit Linked Certificates are so redeemed, the Issuer will pay an amount to each Holder of Securities in respect of each Credit Linked Security equal to the fair market value of such Credit Linked Security taking into account the Additional Credit Linked Security Disruption Event, less the cost to the Issuer and/or the Swap Counterparty and/or its affiliates of unwinding any underlying related hedging arrangements all as determined by

the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders of Securities in accordance with, in the case of Notes, Condition 18 of the Notes or, in the case of Certificates, Condition 19 of the Certificates.

(E) Miscellaneous provisions relating to redemption

If the Credit Linked Securities are partially redeemed, the relevant Credit Linked Securities or, if the Credit Linked Securities are represented by a Global Security, such Global Security, shall be endorsed to reflect such partial redemption. Upon such partial redemption, the outstanding principal amount of each Note or the Certificate Notional Amount of each Certificate, as the case may be, shall be reduced for all purposes (including accrual of interest thereon) accordingly.

Redemption of any Credit Linked Security in accordance with Credit Linked Condition 2(B), together with payment of interest, if any, due thereon shall discharge all or the relevant portion of the obligations of the Issuer in relation thereto.

Any amount payable under Credit Linked Condition 2(B) shall be rounded downwards to the nearest sub-unit of the relevant currency.

3. **Interest**

(A) Cessation of Interest Accrual

Upon the occurrence of an Event Determination Date in respect of any Reference Entity, interest on such Credit Linked Security (or, in the case of Linear Basket Credit Linked Securities, the relevant portion thereof) shall cease to accrue with effect from and including either:

- (i) the Interest Payment Date immediately preceding such Event Determination Date (or, in the case of the first Interest Period, the Interest Commencement Date); or
- (ii) if so specified in the Final Terms, such Event Determination Date.

(B) Interest following the Scheduled Maturity Date or Scheduled Redemption Date, as applicable

Subject always to Credit Linked Condition 3(A), if an Extension Notice has been given, (other than pursuant to paragraph (d) of the definition of "Extension Notice") each Credit Linked Security (or, in the case of Linear Basket Credit Linked Securities, the relevant portion thereof) which is outstanding following the Scheduled Maturity Date or Scheduled Redemption Date, as applicable, shall continue to bear interest from (and including) the Scheduled Maturity Date or Scheduled Redemption Date, as applicable, to (but excluding) the related Credit Security Redemption Date at a rate of interest equal to either:

- (i) the rate that the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, would pay to an independent customer in respect of overnight deposits in the currency of the Credit Linked Securities; or
- (ii) such other rate as shall be specified for such purpose in the Final Terms.

For the avoidance of doubt, if an Extension Notice has been given pursuant to paragraph (d) of the definition thereof, no interest shall accrue from (and including) the Scheduled Maturity Date or Scheduled Redemption Date, as applicable, to (but excluding) the related Credit Security Redemption Date.

(C) Interest Payment Dates

If the Credit Linked Securities are redeemed pursuant to, in the case of Notes, the "Terms and Conditions of the Notes" or, in the case of Certificates, the "Terms and Conditions of the Certificates", as applicable, or these Credit Linked Conditions, the Scheduled Maturity Date or Scheduled Redemption Date, as applicable, the Credit Security Redemption Date (if not the Scheduled Maturity Date or Scheduled Redemption Date, as applicable), the Auction Settlement Date, the Credit Event Cash Settlement Date or the last Delivery Date, as the case may be, shall be an Interest Payment Date in respect of each Credit Linked Security (or, in the case of Linear Basket Credit Linked Securities, the relevant portion thereof) and the Issuer shall pay any interest that has accrued in respect of each Credit Linked Security (or, as applicable, the relevant portion thereof) on such Interest Payment Date.

4. **Physical Settlement**

(A) **Delivery and payment**

If Physical Settlement applies to any Credit Linked Security, then, upon the satisfaction of the related Conditions to Settlement, the Swap Counterparty and Issuer shall, on or prior to the related Physical Settlement Date and subject to Credit Linked Conditions 4(B), 4(C) and 4(F), settle the credit derivative transaction evidenced by the Credit Default Swap Agreement and redeem such Credit Linked Security (or, in the case of Linear Basket Credit Linked Securities, the relevant portion thereof), respectively, by:

- (i) Delivering (or, in the case of the Issuer, procuring that the Swap Counterparty Delivers) a pro rata share of the Deliverable Obligations specified in the related Notice of Physical Settlement; and
- (ii) paying such Security's pro rata portion of the related Physical Settlement Adjustment Rounding Amount.

(B) **Partial Cash Settlement due to Impossibility or Illegality**

If, due to an event beyond the control of the Issuer and/or the Swap Counterparty, it is impossible or illegal for the Issuer or the Swap Counterparty, as applicable, to Deliver or, due to an event beyond the control of the Issuer or any Holder of Securities, it is impossible or illegal for the Issuer or the relevant Holder of Securities to Deliver or accept Delivery of any of the Deliverable Obligations specified in a Notice of Physical Settlement on the related Physical Settlement Date, then on such date the Issuer shall deliver or procure that the Swap Counterparty Delivers any of the Deliverable Obligations specified in the Notice of Physical Settlement for which it is possible and legal to take Delivery. If any Undeliverable Obligations have not been delivered on or prior to the Latest Permissible Physical Settlement Date, then Partial Cash Settlement shall apply with respect to such Undeliverable Obligations and, accordingly, the Swap Counterparty shall pay the Issuer and the Issuer shall pay the relevant Holders of Securities an amount equal to the Partial Cash Settlement Amount to be apportioned *pro rata* amongst the relevant Holders of Securities on the Partial Cash Settlement Date.

(C) **Non-Delivery of Deliverable Obligations**

If the Issuer and/or the Swap Counterparty does not Deliver any Deliverable Obligation specified in a Notice of Physical Settlement other than as a result of an event or circumstance contemplated in Credit Linked Condition 4(B) above (including following the occurrence of a Hedge Disruption Event), such failure shall not constitute an Event of Default for the purpose of the Securities or the Credit Default Swap Agreement and the Issuer and/or the Swap Counterparty may continue to attempt to Deliver the Deliverable Obligations that are Bonds or Loans until the Extended Physical Settlement Date.

If, as at the relevant Extended Physical Settlement Date, any such Deliverable Obligations have not been Delivered, then Partial Cash Settlement shall apply with respect to such Deliverable Obligations and the Swap Counterparty shall pay to the Issuer and the Issuer shall pay to the Holders of Securities an amount equal to the Partial Cash Settlement Amount to be apportioned pro rata amongst the Holders of Securities on the Partial Cash Settlement Date.

(D) Aggregation and rounding

Where (i) a Noteholder holds Credit Linked Notes in an aggregate nominal amount greater than the Specified Denomination or (ii) a Certificateholder holds Credit Linked Certificates in an aggregate notional amount greater than the Notional Amount of a Certificate, as the case may be, the Outstanding Principal Balance of the Deliverable Obligations to be Delivered in respect of the relevant Credit Linked Securities shall be aggregated for the purposes of this Credit Linked Condition 4. If the Outstanding Principal Balance of the Deliverable Obligations to be Delivered in respect of each Credit Linked Security to be redeemed pursuant to this Credit Linked Condition 4(D) on any occasion is not equal to an authorised denomination (or integral multiple thereof) of such Deliverable Obligations then the Outstanding Principal Balance of Deliverable Obligations to be Delivered will be rounded down to the nearest authorised denomination or multiple thereof, or, if none, to zero. In such circumstances, the Deliverable Obligations that were not capable of being Delivered shall, if and to the extent practicable, be sold by the Issuer or such other agent as may be appointed by the Issuer for such purpose and, if they are so sold, the Issuer shall make payment in respect of each Credit Linked Security in an amount equal to its pro rata share of the related net sale proceeds as soon as reasonably practicable following receipt thereof.

(E) Delivery and fees

The Delivery of any of the Deliverable Obligations pursuant to the provisions of this Credit Linked Condition 4 shall be made in such commercially reasonable manner as the Swap Counterparty on behalf of the Issuer shall, in its sole discretion, determine to be appropriate for such Delivery. Subject as set out in the definition of "Deliver":

- (i) any recordation, processing or similar fee reasonably incurred by the Issuer and/or the Swap Counterparty and/or any of their Affiliates and payable to the agent under a Loan in connection with an assignment (where Deliverable Obligations include Assignable Loans or Consent Required Loans) shall be payable by the relevant Holders of Securities, and if any Stamp Tax is payable in connection with the Delivery of any Deliverable Obligations, payment thereof shall be made by the relevant Holders of Securities; and
- (ii) any other expenses arising from the Delivery and/or transfer of the Deliverable Obligations shall be for the account of the Holders of Securities or the Swap Counterparty, as appropriate, determined in accordance with then current market conventions.

Delivery and/or transfer of the Deliverable Obligations shall be delayed until all expenses relating to such Delivery or transfer payable by the Holders of Securities have been paid to the satisfaction of the Issuer and the Swap Counterparty.

(F) Asset Transfer Notice

A Holder of Securities will not be entitled to any of the amounts or assets specified as being due to it in this Credit Linked Condition 4(F) upon the satisfaction of the Conditions to Settlement unless it has presented or surrendered (as is appropriate) the relevant Credit

Linked Security and delivered an Asset Transfer Notice in accordance with, in the case of Notes, Condition 6(b)(i)(A) of the "Terms and Conditions of the Notes" or, in the case of Certificates, Condition 6(b)(i)(A) of the "Terms and Conditions of the Certificates", as the case may be. For so long as the Credit Linked Securities are held in any clearing system, any communication from such clearing system on behalf of the Holder of Securities containing the information required in an Asset Transfer Notice will be treated as an Asset Transfer Notice. For as long as Bearer Notes or Clearing System Certificates, as the case may be, are represented by a Global Security, surrender of Credit Linked Securities for such purpose will be effected by presentation of the Global Security and its endorsement to note the principal amount of Credit Linked Notes or the notional amount of Credit Linked Certificates, as applicable, to which the relevant Asset Transfer Notice relates.

5. **Provisions relating to Obligation Category and Characteristics and Deliverable Obligation Category and Characteristics**

(A) Obligation Characteristics

If the Obligation Characteristic "Listed" is specified in the applicable Final Terms or is applicable in respect of the applicable Transaction Type, the Final Terms and these Credit Linked Conditions shall be construed as though Listed had been specified as an Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Obligation Category.

(B) Deliverable Obligation Category and Characteristics

If:

- (i) either of the Deliverable Obligation Characteristics "Listed" or "Not Bearer" is specified in the applicable Final Terms or is applicable in respect of the applicable Transaction Type, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Deliverable Obligation Category;
- (ii) the Deliverable Obligation Characteristic "Transferable" is specified in the applicable Final Terms or is applicable in respect of the applicable Transaction Type, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Deliverable Obligations that are not Loans (and shall only be relevant to the extent that obligations other than Loans are covered by the selected Deliverable Obligation Category);
- (iii) any of the Deliverable Obligation Characteristics "Assignable Loan", "Consent Required Loan" or "Direct Loan Participation" is specified in the applicable Final Terms or is applicable in respect of the applicable Transaction Type, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans and shall only be relevant if Loans are covered by the selected Deliverable Obligation Category; and
- (iv) any of Payment, Borrowed Money, Loan or Bond or Loan is specified as the Deliverable Obligation Category and more than one of Assignable Loan, Consent Required Loan and Direct Loan Participation are specified in the applicable Final Terms as Deliverable Obligation Characteristics or is applicable in respect of the applicable Transaction Type, the Deliverable Obligations may include any Loan

that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.

(C) Qualifying Guarantee

If an Obligation or a Deliverable Obligation is a Qualifying Guarantee, the following will apply:

- (i) For purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Qualifying Guarantee shall be deemed to be described by the same category or categories as those that describe the Underlying Obligation.
- (ii) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, both the Qualifying Guarantee and the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms as applicable in respect of the relevant Transaction Type from the following list: Specified Currency, Not Sovereign Lender, Not Domestic Currency and Not Domestic Law. For these purposes, unless otherwise specified in the applicable Final Terms, (A) the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro shall not be a Domestic Currency and (B) the laws of England and the laws of the State of New York shall not be a Domestic Law.
- (iii) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Qualifying Guarantee must satisfy on the relevant date the Obligation Characteristic or the Deliverable Obligation Characteristic of Not Subordinated, if specified in the applicable Final Terms or if applicable in respect of the relevant Transaction Type.
- (iv) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms or applicable in respect of the relevant Transaction Type from the following list: Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.
- (v) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.
- (vi) The terms "Outstanding Principal Balance" and "Due and Payable Amount" (as they are used in the Terms and Conditions, including without limitation, the definitions of "Credit Event Cash Settlement Amount" and "Quotation Amount"), when used in connection with Qualifying Guarantees are to be interpreted to be the then "Outstanding Principal Balance" or "Due and Payable Amount", as applicable, of the Underlying Obligation which is supported by a Qualifying Guarantee.
- (vii) For the avoidance of doubt the provisions of this Credit Linked Condition 5 apply in respect of the definitions of "Obligation" and "Deliverable Obligation" as the context admits.

6. **Succession Event**

(A) **Single Reference Entity**

Where the Securities are Single Reference Entity Credit Linked Securities and a Succession Event has occurred and more than one Successor has been identified, the credit derivative transaction evidenced by the Credit Default Swap Agreement will be deemed for all purposes to have been divided into the same number of new credit derivative transactions as there are Successors, with the following terms:

- (i) each Successor will be a Reference Entity for the purposes of one of the deemed new credit derivative transactions;
- (ii) in respect of each deemed new credit derivative transaction, the Reference Entity Notional Amount will be the Reference Entity Notional Amount applicable to the original Reference Entity divided by the number of Successors; and
- (iii) all other terms and conditions of the original credit derivative transaction will be replicated in each deemed new credit derivative transaction, except to the extent that modification is required, as determined by the Calculation Agent in its sole discretion, to preserve the economic effects of the original credit derivative transaction in the deemed new credit derivative transaction and the Credit Linked Securities (considered in the aggregate).

(B) **Nth-to-Default Credit Linked Securities**

Where the Securities are Nth-to-Default Credit Linked Securities:

- (i) where a Succession Event has occurred in respect of a Reference Entity (other than a Reference Entity in respect of which a Credit Event has occurred) and more than one Successor has been identified, the credit derivative transaction evidenced by the Credit Default Swap Agreement will be deemed for all purposes to have been divided into a number of credit derivative transactions equal to the number of Successors. Each such new transaction shall include a Successor and each and every one of the Reference Entities unaffected by such Succession Event and the provisions of Credit Linked Condition 6(A)(i) to (iii) (inclusive) shall apply thereto;
- (ii) if "Substitution" is specified as not being applicable in the Final Terms, where any Reference Entity (the "Surviving Reference Entity") (other than a Reference Entity that is subject to the Succession Event) would be a Successor to any other Reference Entity (the "Legacy Reference Entity") pursuant to a Succession Event, such Surviving Reference Entity shall be deemed to be a Successor to the Legacy Reference Entity; and
- (iii) if "Substitution" is specified as being applicable in the Final Terms, where the Surviving Reference Entity (other than a Reference Entity that is subject to the Succession Event) would be a Successor to a Legacy Reference Entity pursuant to a Succession Event:
 - (A) such Surviving Reference Entity shall be deemed not to be a Successor to the Legacy Reference Entity; and
 - (B) the Replacement Reference Entity shall be deemed to be a Successor to the Legacy Reference Entity.

(C) **Linear Basket Credit Linked Securities**

Where the Credit Linked Securities are Linear Basket Credit Linked Securities, and one or more Successors have been identified in respect of a Reference Entity that has been the subject of a related Succession Event (the "**Affected Entity**"):

- (i) the Affected Entity will no longer be a Reference Entity (unless it is a Successor as described in (b) below);
- (ii) each Successor will be deemed a Reference Entity (in addition to each Reference Entity which is not an Affected Entity);
- (iii) the Reference Entity Notional Amount for each such Successor will equal the Reference Entity Notional Amount of the Affected Entity divided by the number of Successors;
- (iv) the Calculation Agent may, at its discretion, make any modifications to the terms of the Credit Default Swap Agreement and these Credit Linked Conditions which may be required to preserve the economic effects of the Swap Agreement and the Securities prior to the Succession Event (considered in the aggregate). For the avoidance of doubt, the Calculation Agent may not, without the consent of the Issuer and the Trustee, amend any of the terms and conditions of the Credit Linked Securities other than these Credit Linked Conditions; and
- (v) for the avoidance of doubt, a Reference Entity may, as a result of a Succession Event, be represented in the Reference Portfolio with respect to multiple Reference Entity Notional Amounts.

(D) Substitute Reference Obligations

Where:

- (i) a Reference Obligation is specified in the applicable Final Terms;
- (ii) one or more Successors to the Reference Entity have been identified; and
- (iii) any one or more such Successors have not assumed the Reference Obligation,

a Substitute Reference Obligation will be determined in accordance with the definition of "Substitute Reference Obligation".

7. **Provisions relating to LPN Reference Entities**

The following provisions shall apply if the applicable Final Terms provide that "LPN Reference Entity" is applicable:

- (A) Multiple Holder Obligation will not be applicable with respect to any Reference Obligation and any Underlying Loan;
- (B) each Reference Obligation will be an Obligation notwithstanding anything to the contrary in these Credit Linked Conditions, and in particular, that the obligation is not an obligation of the Reference Entity;
- (C) each Reference Obligation will be a Deliverable Obligation notwithstanding anything to the contrary in these Credit Linked Conditions, and in particular, that the obligation is not an obligation of the Reference Entity;
- (D) for the avoidance of doubt, with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Financial Instrument, the Outstanding Principal

Balance shall be determined by reference to the Underlying Loan or Underlying Finance Instrument (as applicable) relating to such LPN Reference Obligation; and

- (E) the "Not Subordinated" Obligation Characteristic and Deliverable Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of the Reference Entity.

8. **Restructuring Credit Event**

(A) Multiple Credit Event Notices

Upon the occurrence of a Restructuring Credit Event with respect to a Reference Entity for which Restructuring is an applicable Credit Event and either "Restructuring Maturity Limitation and Fully Transferable Obligations Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the Final Terms or is applicable in respect of the relevant Transaction Type:

- (i) the Swap Counterparty may deliver multiple Credit Event Notices with respect to such Restructuring Credit Event, each such notice setting forth the amount of the relevant Reference Entity Notional Amount to which such Restructuring Credit Event applies (the "**Exercise Amount**") provided that if the Credit Event Notice does not specify an Exercise Amount, the then Outstanding Reference Entity Notional Amount (and not a portion thereof) will be deemed to have been specified as the Exercise Amount;
- (ii) the provisions of these Credit Linked Conditions shall be deemed to apply to an aggregate outstanding principal amount equal to the Exercise Amount only and all the provisions shall be construed accordingly;
- (iii) the Exercise Amount in connection with a Credit Event Notice describing a Credit Event other than a Restructuring must be equal to the relevant Reference Entity Notional Amount (and not a portion thereof); and
- (iv) the Exercise Amount in connection with a Credit Event Notice describing a Restructuring must be an amount that is at least 1,000,000 units of the Specified Currency (or, if Japanese Yen, 100,000,000 units) in which the Reference Entity Notional Amount is denominated or any integral multiple thereof or the entire relevant Reference Entity Notional Amount.

In the case of an Nth-to-Default Credit Linked Security, once the Conditions to Settlement have been satisfied in respect of the Nth Reference Entity where the Credit Event is a Restructuring Credit Event, no further Credit Event Notices may be delivered in respect of any other Reference Entity (save to the extent that the Credit Default Swap Agreement and the Credit Linked Securities are deemed to have been divided into new credit derivative transactions or Credit Linked Securities respectively pursuant to Credit Linked Condition 6).

If any Credit Linked Security is subject to partial redemption in accordance with this Credit Linked Condition 8, the relevant Credit Linked Security or, if the Credit Linked Securities are represented by a Global Security, such Global Security shall be endorsed to reflect such partial redemption.

For the avoidance of doubt, this Credit Linked Condition 8 shall not be applicable in respect of a Reference Entity for which Restructuring is an applicable Credit Event and neither "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" nor "Modified Restructuring Maturity Limitation and Conditionally Transferable

Obligation Applicable" is specified in the Final Terms or is applicable in respect of the relevant Transaction Type.

(B) Restructuring Maturity Limitation and Fully Transferable Obligation Applicable

In respect of any Reference Entity for which Restructuring is an applicable Credit Event, if "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" is specified in the Final Terms or is applicable in respect of the applicable Transaction Type, and Restructuring is the only Credit Event specified in a Credit Event Notice, then a Deliverable Obligation or, as applicable, Valuation Obligation, may be specified in a Notice of Physical Settlement, any NOPS Amendment Notice or, as applicable, selected by the Swap Counterparty to form part of the related Valuation Obligations Portfolio only if it:

- (i) is a Fully Transferable Obligation; and
- (ii) has a final maturity date not later than the Restructuring Maturity Limitation Date.

(C) Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable

In respect of any Reference Entity for which Restructuring is an applicable Credit Event, if "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the Final Terms or is applicable in respect of the applicable Transaction Type, and Restructuring is the only Credit Event specified in a Credit Event Notice, then a Deliverable Obligation or, as applicable, Valuation Obligation, may be specified in the Notice of Physical Settlement, any NOPS Amendment Notice or, as applicable, selected by the Swap Counterparty to form part of the related Valuation Obligations Portfolio, only if it:

- (i) is a Conditionally Transferable Obligation; and
- (ii) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date.

In the event that the requisite consent in relation to a Deliverable Obligation which is a Conditionally Transferable Obligation is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason) or is not received by the Physical Settlement Date, the Issuer or the Swap Counterparty shall, as soon as reasonably practicable, notify the relevant Holders of Securities of such refusal (or deemed refusal) and:

- (A) each such Holder of Securities may designate a third party (which may or may not be an Affiliate of such Holder of Securities) to take Delivery of the Deliverable Obligation on its behalf; and
- (B) if a Holder of Securities does not designate a third party that takes Delivery on or prior to the date which is three Credit Security Business Days after the Physical Settlement Date, then the Issuer will redeem the Credit Linked Securities to which Deliverable Obligations have not been Delivered by payment of the relevant Partial Cash Settlement Amount to such Holder of Securities. For the avoidance of doubt, Credit Linked Condition 4(B) will not apply to this sub-paragraph.

(D) Multiple Holder Obligations

Notwithstanding anything to the contrary in the definition of "Restructuring" and related provisions, the occurrence of, agreement to, or announcement of, any of the events described in sub-paragraphs (a)(i) to (v) (inclusive) thereof shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation, provided that any obligation that is a Bond shall be deemed to satisfy the requirements of sub-paragraph (b) of the definition of "Multiple Holder Obligation".

9. **Miscellaneous Provisions relating to Credit Linked Securities**

(A) Determinations of the Calculation Agent

The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to the Credit Linked Conditions shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor (if applicable), the Trustee and the Holders of Securities. In performing its duties pursuant to the Credit Linked Securities, the Calculation Agent shall act in its sole and absolute discretion and, unless otherwise expressly stated, is not bound to follow or act in accordance with any determination of the relevant Credit Derivatives Determinations Committee. Whenever the Calculation Agent is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation. If the Calculation Agent chooses to rely on the determinations of the relevant Credit Derivatives Determinations Committee it may do so without liability. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Credit Linked Securities including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Swap Counterparty, the Trustee, the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, the Calculation Agent, the Issuer or the Guarantor (if applicable) shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

If, where the Calculation Agent has relied upon a DC Resolution for the purposes of making a calculation or determination with respect to the Credit Linked Securities, ISDA publicly announces that such DC Resolution has been reversed by a subsequent DC Resolution, such reversal will be taken into account for the purposes of any subsequent calculations excepting instances where any Credit Linked Securities which would otherwise have been affected by such a reversal have already been redeemed (where redeemed in part, to the extent of any such redemption). The Calculation Agent, acting in a commercially reasonable manner, will make any adjustment to any future payments as are required to take account of such reversal, including any payment of additional interest or any reduction in any interest or any other amount payable under the Credit Linked Securities. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment.

(B) Changes in Standard Terms and Market Conventions

The Calculation Agent, acting reasonably, may (but shall not be obliged to) modify these Credit Linked Conditions from time-to-time with effect from a date designated by the Calculation Agent to the extent necessary to ensure consistency with prevailing market standards or market trading conventions, which are, pursuant to the agreement of the leading dealers in the credit derivatives market or any relevant committee established by ISDA, a market-wide protocol, any applicable law or regulation or the rules of any

applicable exchange or clearing system, applicable to any Notional Credit Derivative Transaction or Hedge Transaction entered into prior to such date or terms thereof. The Calculation Agent shall notify the Issuer, the Trustee, the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, the Swap Counterparty and the Holders of Securities as soon as reasonably practicable upon making any such determination. For the avoidance of doubt, the Calculation Agent may not, without the consent of the Issuer and the Trustee, amend pursuant to this Credit Linked Condition 9(B) any of the terms and conditions of the Credit Linked Securities other than the applicable Credit Linked Conditions.

In particular, the Calculation Agent may make such modifications as may be necessary to ensure consistency with any successor provisions which are published by ISDA and which supersede the 2003 ISDA Credit Derivatives Definitions ("**Successor Provisions**") for the purposes of credit derivatives transactions generally (including with respect to transactions which are entered into prior to the relevant date of publication and which are outstanding as of that date) and/or may apply and rely on determinations of the Credit Derivatives Determinations Committee made in respect of a relevant Reference Entity under any such Successor Provisions notwithstanding any discrepancy between the terms of such Successor Provisions and these Credit Linked Conditions.

(C) Delivery of Notices

As soon as reasonably practicable after receiving a Credit Event Notice, Notice of Publicly Available Information, Notice of Physical Settlement (or amendment or correction thereto), Auction Settlement Amount Notice or Extension Notice from the Swap Counterparty, the Issuer shall promptly inform, or shall procure that the Swap Counterparty informs, the Trustee, the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, and the Holders of Securities in accordance with, in the case of Notes, Condition 18 of the Notes or, in the case of Certificates, Condition 19 of the Certificates. Resolutions of the Credit Derivatives Determinations Committee are, as of the date hereof, available on ISDA's website (www.isda.org/credit).

(D) Effectiveness of Notices

Any notice referred to in Credit Linked Condition 9(C) above which is delivered on or prior to 5:00 p.m. (London time) on a London Business Day is effective on such date and if delivered after such time or on a day that is not a London Business Day, is deemed effective on the next following London Business Day.

(E) Excess Amount

If, on a Business Day, the Calculation Agent reasonably determines that an Excess Amount has been paid to Holders of Securities on or prior to such day, then following notification of the determination of an Excess Amount to the Issuer and Holders of Securities in accordance with, in the case of Notes, Condition 18 of the Notes or, in the case of Certificates, Condition 19 of the Certificates, the Issuer may deduct any such Excess Amount from future payments in relation to the Credit Linked Securities (whether interest, principal or any other amount, as applicable) or may reduce the amount of any assets deliverable under the terms of the Credit Linked Securities to the extent that it determines, acting reasonably, to be necessary to compensate for such Excess Amount.

(F) Disposal of Charged Assets

Following the satisfaction of the Conditions to Settlement in respect of any Reference Entity, unless the Issuer is required or entitled to deliver a selected portion of the Charged Assets to the Swap Counterparty or the Repo Counterparty, respectively, under the terms

of the Credit Default Swap Agreement, the Repurchase Agreement, or any other Swap Agreement relating to the Credit Linked Securities, as applicable, or as otherwise specified in the Final Terms the Redemption Agent shall, on behalf of the Issuer, use reasonable efforts to dispose of the Charged Assets (or, in the case of Linear Basket Credit Linked Securities, the relevant portion thereof) in accordance with Credit Linked Condition 9(G) for settlement not later than one Credit Security Business Day prior to the date on which the related Reference Entity Notional Amount of each Credit Linked Security is due to be redeemed.

(F) Sale of Charged Assets

Where the Redemption Agent is required to dispose of any Charged Assets on behalf of the Issuer in order to redeem the Credit Linked Securities as set out in Credit Linked Condition 9(F), then:

- (i) the Redemption Agent shall seek firm bid quotations from at least three dealers in assets such as the relevant Charged Assets (and, for such purpose, it may seek quotations in respect of such Charged Assets in their entirety or in respect of designated tranches thereof, as it considers appropriate);
- (ii) the Redemption Agent may itself provide a bid in respect of the relevant Charged Assets or any tranche thereof;
- (iii) it shall and shall be authorised to accept on behalf of the Issuer in respect of each relevant tranche or, as applicable, the entirety of the relevant Charged Assets the highest such quotation so obtained (which may be a quotation of the Redemption Agent); and
- (iv) the net proceeds of sale of the relevant Charged Assets shall be paid into the Compartment Account and applied to meet the Issuer's obligations in respect of the Credit Linked Securities, the Swap Agreements and, if applicable, the Repurchase Agreement.

Subject as may otherwise be provided for in these Credit Linked Conditions or the Final Terms, in effecting the sales, the Redemption Agent may sell the Charged Assets in one single tranche or in smaller tranches as it considers appropriate in order to attempt reasonably to maximise the proceeds from such sale. The Redemption Agent may effect sales of the Charged Assets (a) on any national securities exchange or quotation service on which the Charged Assets may be listed or quoted (b) in the over-the-counter market or (c) in transactions otherwise than on such exchanges or in the over-the-counter market. If (i) the Redemption Agent is unable to obtain any quotations for the sale of the Charged Assets or (ii) the Redemption Agent is offering to buy the Charged Assets itself for its own account for a price equal to or higher than the best quotation from a third party, the Redemption Agent may effect sales of the Charged Assets to itself.

10. **Definitions**

In these Credit Linked Conditions, unless otherwise specified in the applicable Final Terms:

"Accelerated or Matured" means an obligation under which the total amount owed, whether at maturity, by reason of acceleration, upon termination or otherwise (other than amounts in respect of default interest, indemnities, tax gross-ups and other similar amounts), is, or on or prior to the Delivery Date will be, due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws.

"Accreted Amount" means, with respect to an Accreting Obligation, an amount equal to:

- (a) the sum of:
 - (i) the original issue price of such obligation; and
 - (ii) the portion of the amount payable at maturity that has accreted in accordance with the terms of the obligation (or as otherwise described below), less
- (b) any cash payments made by the obligor thereunder that, under the terms of such obligation, reduce the amount payable at maturity (unless such cash payments have been accounted for in (a)(ii) above),

in each case calculated as of the earlier of:

- (A) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal; and
- (B) the Delivery Date or applicable Valuation Date, as the case may be.

Such Accreted Amount shall include any accrued and unpaid periodic cash interest payments (as determined by the Calculation Agent) only if "Include Accrued Interest" is specified as being applicable in the applicable Final Terms. If an Accreting Obligation is expressed to accrete pursuant to a straight-line method or if such Obligation's yield to maturity is not specified in, nor implied from, the terms of such Obligation, then, for the purposes of (a)(ii) above, the Accreted Amount shall be calculated using a rate equal to the yield to maturity of such Obligation. Such yield shall be determined on a semi-annual bond equivalent basis using the original issue price of such obligation and the amount payable at the scheduled maturity of such obligation, and shall be determined as of the earlier of (x) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal and (y) the Delivery Date or applicable Valuation Date, as the case may be. The Accreted Amount shall exclude, in the case of a Convertible Obligation or an Exchangeable Obligation, any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities into which such obligation is convertible or exchangeable.

"Accreting Obligation" means any obligation (including, without limitation, a Convertible Obligation or an Exchangeable Obligation) the terms of which expressly provide for an amount payable upon acceleration equal to the original issue price (whether or not equal to the face amount thereof) plus an additional amount or amounts (on account of original issue discount or other accruals of interest or principal not payable on a periodic basis) that will or may accrete, whether or not:

- (a) payment of such additional amounts is subject to a contingency or determined by reference to a formula or index; or
- (b) periodic cash interest is also payable.

"Additional Credit Event" means an additional credit event as defined in the Final Terms.

"Additional Credit Linked Security Disruption Event" means any of Change in Law, Hedging Disruption, and/or Increased Cost of Hedging, in each case if specified as applying in the applicable Final Terms.

"Additional LPN" means any LPN issued by an LPN Issuer for the sole purpose of providing funds for the LPN Issuer to provide financing to the Reference Entity via an:

- (A) Underlying Loan; or
- (B) Underlying Finance Instrument, provided that
 - (i) either:
 - (A) in the event that there is an Underlying Loan with respect to such LPN, the Underlying Loan satisfies the Obligation Characteristics specified in respect of the Reference Entity; or
 - (B) in the event that there is an Underlying Finance Instrument with respect to such LPN the Underlying Finance Instrument satisfies the Not Subordinated, Not Domestic Law and Not Domestic Currency Obligation Characteristics;
 - (ii) the LPN satisfies the following Deliverable Obligation Characteristics: Transferable, Not Bearer, Specified Currencies – Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and
 - (iii) the LPN Issuer has, as of the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of holders of the LPNs.

"Additional Obligation" means each of the obligations listed as an Additional Obligation of the Reference Entity in the relevant "LPN Reference Obligation List" as published by Markit Group Limited, or any successor thereto, which list is currently available at <http://www.markit.com/marketing/services.php>.

"Additional Provisions" means any additional provisions from time to time published by ISDA for use in the over-the-counter credit derivatives market and specified as applicable in relation to a Reference Entity which may include:

- (a) the Additional Provisions for Physically Settled Default Swaps - Monoline Insurer as Reference Entity, as published by ISDA on 21 January 2005; or
- (b) any other provisions specified in relation to such Reference Entity.

"Affected Entity" has the meaning given to it in Credit Linked Condition 6(C) above.

"Affiliate" means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of a majority of the voting power of the entity or person.

"Assignable Loan" means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction of organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if a Reference Entity is guaranteeing such Loan) or any agent, and if specified as applicable to a Deliverable Obligation Category, the Assignable Loan Deliverable Obligation Characteristic shall be applicable only in respect of obligations within that Deliverable Obligation Category that are Loans.

"Auction" has the meaning set forth in the Transaction Auction Settlement Terms.

"Auction Cancellation Date" has the meaning set forth in the Transaction Auction Settlement Terms.

"Auction Covered Transaction" has the meaning set forth in the Transaction Auction Settlement Terms.

"Auction Final Price" has the meaning set forth in the Transaction Auction Settlement Terms or the Parallel Auction Settlement Terms identified by the Calculation Agent in the Auction Settlement Amount Notice.

"Auction Final Price Determination Date" has the meaning set forth in the Transaction Auction Settlement Terms.

"Auction Settlement Amount" means, in relation to any Reference Entity and unless otherwise specified in the Final Terms, an amount in the Settlement Currency as determined by the Calculation Agent in accordance with the formula below:

$$\text{Auction Settlement Amount} = \text{Max } 0, [(\text{RENA} \times \text{AFP}) - \text{UC} - \text{CAL}]$$

Where:

"AFP" means the relevant Auction Final Price;

"CAL" means the Charged Assets Loss;

"RENA" means the Reference Entity Notional Amount in respect of the relevant Reference Entity; and

"UC" means the Unwind Costs.

"Auction Settlement Amount Notice" means a notice given by the Swap Counterparty to the Issuer, the Trustee and the Calculation Agent on or prior to the date which is 65 Business Days following the Final List Publications Date specifying:

- (i) the Transaction Auction Settlement Terms or Parallel Auction Settlement Terms which the Issuer has elected to apply to the Credit Linked Securities (provided that the Issuer may only elect to apply any Parallel Auction Settlement Terms (which the Calculation Agent may choose, and notify to the Issuer, in its sole discretion) in the circumstances set out in sub-paragraph (b) of the definition of "No Auction Announcement Date"); and
- (ii) the Auction Settlement Amount.

"Auction Settlement Date" means the date that is three Business Days following delivery by the Swap Counterparty of the Auction Settlement Amount Notice.

"Bankruptcy" means a Reference Entity:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition:

- (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
 - (ii) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof;
- (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter; or
- (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in sub-paragraphs (a) to (g) (inclusive) above.

"Best Available Information" means:

- (a) in the case of a Reference Entity which files information with its primary securities regulator or primary stock exchange that includes unconsolidated, pro forma financial information which assumes that the relevant Succession Event has occurred or which provides such information to its shareholders, creditors or other persons whose approval of the Succession Event is required, that unconsolidated, pro forma financial information and, if provided subsequently to the provision of unconsolidated, pro forma financial information but before the Calculation Agent or the Credit Derivatives Determinations Committee makes its determination for the purposes of the definition of "Successor", other relevant information that is contained in any written communication provided by the Reference Entity to its primary securities regulator, primary stock exchange, shareholders, creditors or other persons whose approval of the Succession Event is required; or
- (b) in the case of a Reference Entity which does not file with its primary securities regulators or primary stock exchange, and which does not provide to shareholders, creditors or other persons whose approval of the Succession Event is required, the information contemplated in (a) above, the best publicly available information at the disposal of the Calculation Agent or the Credit Derivatives Determinations Committee to allow it to make a determination for the purposes of the definition of "Successor",

provided that information which is made available more than fourteen calendar days after the legally effective date of the Succession Event shall not constitute "Best Available Information".

"Bond" means any obligation of a type included in the "Borrowed Money" Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money obligation.

"Bond or Loan" means any obligation that is either a Bond or a Loan.

"Borrowed Money" means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding unpaid drawings in respect of principal) for the

payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

"Capped Reference Entity" means, unless otherwise specified in the Final Terms, a Reference Entity having a specified Transaction Type in respect of which "60 Credit Security Business Days Cap on Settlement" is expressed as applying in the Physical Settlement Matrix.

"Cash Settlement Date" means the date that is the number of Business Days specified in the Final Terms (or, if a number of Business Days is not specified, three Business Days) immediately following the determination of the Weighted Average Final Price.

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

(i) the Issuer is unable to perform its obligations in respect of the Credit Linked Securities or it has become illegal for the Issuer, the Swap Counterparty and/or any of the Swap Counterparty's Affiliates to hold, acquire or dispose of any relevant hedge positions in respect of the Credit Linked Securities; or

(ii) the Issuer, the Swap Counterparty and/or any of the Swap Counterparty's Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency or capital requirements) in maintaining the Credit Linked Securities in issue or in holding, acquiring or disposing of any relevant hedge positions of the Credit Linked Securities.

"Charged Assets Loss" means, in relation to any Charged Assets, an amount equal to:

- (a) the price at which such Charged Assets were initially acquired by the Issuer; less
- (b) the net proceeds of liquidation of such Charged Assets,

subject to a minimum of zero.

If the Charged Assets are disposed of by the Issuer pursuant to a Repurchase Agreement then, unless otherwise specified in the Final Terms, the Charged Assets Loss shall be equal to zero.

"Conditionally Transferable Obligation" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, provided, however, that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor if a Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this definition of "Conditionally Transferable Obligation".

For purposes of determining whether a Deliverable Obligation satisfies the requirements of the definition of "Conditionally Transferable Obligation", such determination shall be made as of the

Delivery Date for the Deliverable Obligation, taking into account only the terms of the Deliverable Obligation and any related transfer or consent documents which have been obtained by the Swap Counterparty.

"Conditions to Settlement" means, in relation to any Reference Entity:

- (a) the occurrence of an Event Determination Date; and
- (b) where the applicable Settlement Method is Physical Settlement (or Physical Settlement is applicable as the Fallback Settlement Method), the delivery of the Notice of Physical Settlement on or following the occurrence of an Event Determination Date,

to the extent that, unless otherwise elected by the Swap Counterparty by written notice to the Issuer, the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, the Calculation Agent and the Trustee, such Event Determination Date is not subsequently reversed prior to the Auction Final Price Determination Date, a Valuation Date, the Physical Settlement Date (or, if earlier, a Delivery Date) or the Credit Security Redemption Date, as applicable.

"Consent Required Loan" means a Loan that is capable of being assigned or novated with the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if a Reference Entity is guaranteeing such Loan) or any agent, and, if specified as applicable to a Deliverable Obligation Category, the Consent Required Loan Deliverable Obligation Characteristic shall be applicable only in respect of obligations within the Deliverable Obligation Category that are Loans.

"Convertible Obligation" means any obligation that is convertible, in whole or in part, into Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation).

"Credit Default Swap Agreement" means the credit default swap transaction(s) entered into between the Issuer and the Swap Counterparty in connection with the Credit Linked Securities.

"Credit Derivatives Auction Settlement Terms" means, in relation to any Reference Entity, the Credit Derivatives Auction Settlement Terms published by ISDA, in accordance with the Rules, with respect to the relevant Reference Entity, a form of which will be published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as may be amended from time to time in accordance with the Rules.

"Credit Derivatives Definitions" means the 2003 ISDA Credit Derivatives Definitions, as published by ISDA as supplemented by the July 2009 Supplement and, in addition, if Additional Provisions are specified to be applicable with respect to the Credit Linked Securities in the Final Terms, as supplemented by the Additional Provisions.

"Credit Derivatives Determinations Committee" means each committee established by ISDA for purposes of reaching certain DC Resolutions in connection with credit derivative transactions in the over-the-counter market, as more fully described in the Rules.

"Credit Event" means the occurrence of one or more of Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium or Restructuring or Additional Credit Event as specified with respect to a Reference Entity.

If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

- (a) any lack or alleged lack of authority or capacity of a Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;
- (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, however described;
- (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
- (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

"Credit Event Backstop Date" means the date that is 60 calendar days prior to the Trade Date. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

"Credit Event Cash Settlement Amount" means, in relation to any Reference Entity and unless otherwise specified in the Final Terms, an amount in the Settlement Currency as determined by the Calculation Agent in accordance with the formula below:

$$\text{Credit Event Cash Settlement Amount} = \text{Max } 0, [(\text{RENA} \times \text{WAFP}) - \text{UC} - \text{CAL}]$$

Where:

"CAL" means the Charged Assets Loss;

"RENA" means the relevant Reference Entity Notional Amount;

"UC" means the Unwind Costs; and

"WAFP" means the Weighted Average Final Price, or if so specified in the applicable Final Terms, the Final Price or such other price specified therein.

"Credit Event Notice" means an irrevocable notice from the Swap Counterparty (which may be in writing (including by facsimile and/or email and/or by telephone) in accordance with the Swap Agreement to the Issuer, the Calculation Agent and the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable (with, for information purposes only, a copy in writing of such notice (a **"Copy Notice"**) sent to the Trustee; for the avoidance of doubt, failure to deliver a Copy Notice will not invalidate the Credit Event Notice) that describes a Credit Event that occurred on or after the Credit Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)) and on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time))).

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred, provided that where an Event Determination Date has occurred pursuant to sub-paragraph (b) of the definition thereof, a reference to the relevant DC Credit Event Announcement shall suffice. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

"Credit Event Resolution Request Date" means, with respect to a notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to Resolve:

- (a) whether an event that constitutes a Credit Event has occurred with respect to the relevant Reference Entity or Obligation thereof; and
- (b) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred, the date of the occurrence of such event,

the date, as publicly announced by ISDA, that the relevant Credit Derivatives Determinations Committee Resolves to be the first date on which such notice was effective and on which the relevant Credit Derivatives Determinations Committee was in possession, in accordance with the Rules, of Publicly Available Information with respect to the DC Resolutions referred to in subparagraphs (a) and (b) above.

"Credit Security Business Day" means, in respect of any Reference Entity, a day on which commercial banking and foreign exchange markets are generally open to settle payments in the place or places specified for that purpose with respect to such Reference Entity, a TARGET Settlement Day (if "TARGET Settlement Day" is specified for that purpose, or, if a place or places are not so specified, a day on which commercial banks and foreign exchange markets are generally open to settlement payments in the jurisdiction of the currency of the related Reference Entity Notional Amount). Business Days referenced in the Physical Settlement Matrix shall be deemed to be Credit Security Business Days.

"Credit Security Dealer" means a dealer in obligations of the type of Obligation(s) (as the case may be) for which quotations are to be obtained (as selected by the Calculation Agent) and may include the Swap Counterparty or its Affiliates and a Holder or its Affiliates or as may otherwise be specified in the Final Terms.

"Credit Security Redemption Date" means either:

- (a) the Scheduled Maturity Date or Scheduled Redemption Date, as applicable; or
- (b) where the Swap Counterparty delivers an Extension Notice in relation to a Reference Entity to the Issuer, the Trustee, the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable and the Calculation Agent at or prior to 11:00 a.m. (London time) on the date falling two London Business Days prior to the Scheduled Maturity Date or Scheduled Redemption Date, as applicable, either:
 - (i) the date falling two Business Days after the expiry of the Notice Delivery Period (or if later, after the latest date on which it would be possible for the Issuer to deliver a Credit Event Notice under paragraph (b)(D) of the definition of "Event Determination Date"); or
 - (ii) if a Credit Event Resolution Request Date has occurred on or prior to the expiry of the Notice Delivery Period in relation to a Reference Entity and unless otherwise elected by the Swap Counterparty by written notice to the Issuer, the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, the Calculation Agent and the Trustee, the date falling 15 Business Days following any date on which the Credit Derivatives Determinations Committee Resolves that the relevant event does not constitute a Credit Event, or Resolves not to make such determination.

"Currency Amount" means with respect to:

- (a) a Deliverable Obligation specified in a Notice of Physical Settlement or a selected Valuation Obligation that is denominated in a currency other than the Settlement Currency, an amount converted to the Settlement Currency using a conversion rate determined by reference to the Currency Rate; and
- (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, an amount converted to the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert each Replaced Deliverable Obligation Outstanding Amount specified in each NOPS Amendment Notice with respect to that portion of the relevant Reference Entity Notional Amount into the currency of denomination of the relevant Replacement Deliverable Obligation.

"Currency Rate" means with respect to:

- (a) a Deliverable Obligation specified in the Notice of Physical Settlement or a selected Valuation Obligation, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Amount of such Deliverable Obligation is denominated that is either:
 - (i) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time; or
 - (ii) if such rate is not available at such time, determined by the Calculation Agent in a commercially reasonable manner after consultation with the parties; and
- (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate.

"Currency Rate Source" means the mid-point rate of conversion published by WM/Reuters at 4:00 p.m. (London time), or any successor rate source approved by the relevant Credit Derivatives Determinations Committee.

"DC Credit Event Announcement" means, with respect to a Reference Entity, a public announcement by ISDA that the relevant Credit Derivatives Determinations Committee has Resolved that:

- (a) an event that constitutes a Credit Event has occurred with respect to such Reference Entity (or an Obligation thereof); and
- (b) such event occurred on or after the Credit Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign, Tokyo time)) and on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign, Tokyo time)).

A DC Credit Event Announcement will be deemed not to have occurred unless:

- (i) the Credit Event Resolution Request Date with respect to such Credit Event occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date, if specified in the Final Terms and if not, including prior to the Issue Date); and
- (ii) the Trade Date occurs on or prior to the Exercise Cut-off Date.

"DC No Credit Event Announcement" means, with respect to a Reference Entity, a public announcement by ISDA that the relevant Credit Derivatives Determinations Committee has Resolved, following a Credit Event Resolution Request Date, that the event that is the subject of the notice to ISDA resulting in the occurrence of such Credit Event Resolution Request Date does not constitute a Credit Event with respect to such Reference Entity (or an Obligation thereof).

"DC Resolution" has the meaning given to that term in the Rules.

"Default Requirement" means the amount as may be specified as such in the Final Terms or, if a Transaction Type is specified, the amount specified as such in the Physical Settlement Matrix or its equivalent in the relevant Obligation Currency or, if a Default Requirement is not so specified in the Final Terms or a Transaction Type is not specified in the applicable Final Terms, U.S.\$ 10,000,000, or its equivalent in the relevant Obligation Currency, in either case as of the occurrence of the relevant Credit Event.

"Deliver" means to deliver, novate, transfer (including, in the case of a Qualifying Guarantee, transfer of the benefit of the Qualifying Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title and interest in the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, to the Issuer or the Holders of Securities, as the case may be, free and clear of any and all liens, charges, claims or encumbrances (including, without limitation, any counterclaim, defence (other than a counterclaim or defence as set out in the definition of "Credit Event") or right of set off by or of the Reference Entity or, as applicable, an Underlying Obligor) provided that to the extent that the Deliverable Obligations consist of Direct Loan Participations, "Deliver" means to create (or procure the creation of) a participation in favour of the Issuer or the Holders of Securities, as the case may be, and to the extent that the Deliverable Obligations consist of Qualifying Guarantees, "Deliver" means to Deliver both the Qualifying Guarantee and the Underlying Obligation. "Delivery" and "Delivered" will be construed accordingly.

In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time. Notwithstanding the previous sentence, in the case of a Loan, the Issuer, the Swap Counterparty, and each Holder of Securities agrees to comply, for the purposes of the settlement of the Swap Agreement and the Credit Linked Securities with the provisions of any documentation (which term shall be deemed to include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves constitutes documentation customarily used in the relevant market for Delivery of such Loan at that time, as such documentation may be amended to the extent the relevant Credit Derivatives Determinations Committee Resolves is appropriate, which is consistent with the delivery and payment obligations of the parties hereunder. The Issuer and the Swap Counterparty further agree, and each Holder of Securities is deemed to further agree, that compliance by the Issuer and the Swap Counterparty with the provisions of any such documentation shall be required for, and, without further action, constitute, Delivery for the purposes of this definition (to the extent that such documentation contains provisions describing how Delivery should be effected) and none of the Issuer, the Swap Counterparty nor any Holders of Securities shall be permitted to request that any party take nor shall the Issuer or the Swap Counterparty or any Holders of Securities be required to take, any action or make any payment in connection with such Delivery, as applicable, unless otherwise contemplated by such documentation.

"Deliverable Obligation" means, subject to Credit Linked Conditions 8(B) and (C):

- (a) each obligation of a Reference Entity (either directly, or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable with respect thereto, as

provider of any Qualifying Guarantee) described by the Deliverable Obligation Category, and, subject to Credit Linked Condition 5, having each of the Deliverable Obligation Characteristics, if any, in each case, as of the Delivery Date (but excluding any Excluded Deliverable Obligation) that:

- (i) is payable in an amount equal to its Outstanding Principal Balance or Due and Payable Amount, as applicable;
 - (ii) is not subject to any counterclaim, defence (other than as set out in the definition of "Credit Event") or right of set-off by or of a Reference Entity or any applicable Underlying Obligor; and
 - (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Delivery Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the Outstanding Principal Balance or Due and Payable Amount being Delivered apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement;
- (b) subject to the last paragraph of the definition of "Not Contingent", each Reference Obligation, unless specified in the Final Terms as an Excluded Deliverable Obligation;
- (c) solely in relation to a Restructuring Credit Event applicable to a Sovereign Reference Entity, any Sovereign Restructured Deliverable Obligation (but excluding any Excluded Deliverable Obligation) that:
 - (i) is payable in an amount equal to its Outstanding Principal Balance or Due and Payable Amount, as applicable;
 - (ii) is not subject to any counterclaim, defence (other than as set out in the definition of "Credit Event") or right of set-off by or of a Reference Entity or any applicable Underlying Obligor; and
 - (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Delivery Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the Outstanding Principal Balance or Due and Payable Amount being Delivered apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement; and
- (d) any other obligation of a Reference Entity specified as such in the Final Terms.

"Deliverable Obligation Category" means one of Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan as specified in relation to a Reference Entity. If any of Payment, Borrowed Money, Loan or Bond or Loan is specified as the Deliverable Obligation Category and more than one of Assignable Loan, Consent Required Loan and Direct Loan Participation are specified as Deliverable Obligation Characteristics, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics. No Deliverable Obligation Characteristics are applicable to Reference Obligations Only.

"Deliverable Obligation Characteristics" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.

"Deliverable Obligation Provisions", in relation to any Reference Entity, has the meaning set forth in the Credit Derivatives Auction Settlement Terms.

"Deliverable Obligation Terms", in relation to any Reference Entity, has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms.

"Delivery Date" means, with respect to a Deliverable Obligation, the date such Deliverable Obligation is Delivered.

"Direct Loan Participation" means a Loan in respect of which, pursuant to a participation agreement, the Swap Counterparty is capable of creating, or procuring the creation of, a contractual right in favour of the Issuer that provides the Issuer with recourse to the participation seller for a specified share in any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between the Issuer and either:

- (a) the Swap Counterparty (to the extent the Swap Counterparty is then a lender or member of the relevant lending syndicate); or
- (b) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate).

"Domestic Currency" means the currency specified as such in relation to a Reference Entity and any successor currency. If no currency is so specified, the Domestic Currency shall be the lawful currency and any successor currency of;

- (a) the relevant Reference Entity, if the Reference Entity is a Sovereign; or
- (b) the jurisdiction in which the relevant Reference Entity is organised, if the Reference Entity is not a Sovereign.

In no event shall Domestic Currency include any successor currency if such successor currency is the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro (or any successor currency to any such currency).

"Downstream Affiliate" means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent. owned, directly or indirectly, by the Reference Entity.

"Due and Payable Amount" means the amount that is due and payable under (and in accordance with the terms of) a Deliverable Obligation on the Delivery Date, whether by reason of acceleration, maturity, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts).

"Eligible Transferee" means each of the following:

- (a) each of:
 - (i) any bank or other financial institution;
 - (ii) an insurance or reinsurance company;
 - (iii) a mutual fund, unit trust or similar collective investment vehicle (other than an entity specified in sub-paragraph (c)(i) below); and
 - (iv) a registered or licensed broker or dealer (other than a natural person or proprietorship),

provided, however, in each case that such entity has total assets of at least U.S.\$ 500 million;

- (b) an Affiliate of an entity specified in (a) above;
- (c) each of a corporation, partnership, proprietorship, organisation, trust or other entity:
 - (i) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligations, commercial paper conduit or other special purpose vehicle) that:
 - (A) has total assets of at least U.S.\$ 100 million; or
 - (B) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least U.S.\$ 100 million; or
 - (ii) that has total assets of at least U.S.\$ 500 million; or
 - (iii) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support, or other agreement by an entity described in (a), (b), (c)(ii) or (d) hereof; and
- (d) a Sovereign, Sovereign Agency or Supranational Organisation,

and where references in this definition to U.S.\$ include equivalent amounts in other currencies.

"Enabling Obligation" means, in respect of a Reference Entity, an outstanding Deliverable Obligation that:

- (a) is a Fully Transferable Obligation or a Conditionally Transferable Obligation, as applicable; and
- (b) has a final maturity date occurring on or prior to the Scheduled Maturity Date or Scheduled Redemption Date, as applicable, and following the Limitation Date immediately preceding the Scheduled Maturity Date or Scheduled Redemption Date, as applicable (or, in circumstances where the Scheduled Maturity Date or Scheduled Redemption Date, as applicable, occurs prior to the 2.5-year Limitation Date, following the final maturity date of the Latest Maturity Restructured Bond or Loan, if any).

"Equity Securities" means:

- (a) in the case of a Convertible Obligation, equity securities (including options and warrants) of the issuer of such obligation or depositary receipts representing equity securities of the issuer of such obligation together with any other property distributed to or made available to holders of those equity securities from time to time; and
- (b) in the case of an Exchangeable Obligation, equity securities (including options and warrants) of a person other than the issuer of such obligation or depositary receipts representing those equity securities of a person other than the issuer of such obligation together with any other property distributed to or made available to holders of those equity securities from time to time.

"Escrow" means, if Escrow is specified in relation to a Reference Entity as applicable, either the Issuer or the Swap Counterparty or any Holder of Securities may require that physical settlement take place through the use of an Escrow Agent (in the case of any such request by a Holder of Securities, solely in relation to the Securities held by such Holder of Securities). Any costs or

expenses incurred in connection with establishing such escrow arrangement shall be borne by the relevant Holder of Securities.

"Escrow Agent" means, unless otherwise specified in the Final Terms, an independent third party financial institution specified by the Swap Counterparty prior to the Physical Settlement Date, subject to the terms of the escrow arrangement.

"Event Determination Date" means, in respect of any Credit Event either:

- (a) subject to sub-paragraph (b) below if neither a DC Credit Event Announcement nor a DC No Credit Event Announcement has occurred, the first date on which both the Credit Event Notice and, if Notice of Publicly Available Information is specified as a Condition to Settlement, the Notice of Publicly Available Information are delivered by the Swap Counterparty to the Issuer and are effective during either:
 - (i) the Notice Delivery Period; or
 - (ii) the period from, and including, the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in sub-paragraphs (a) and (b) of the definition of "Credit Event Resolution Request Date" to and including, the date that is 15 Business Days thereafter (provided that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date, if specified in the applicable Final Terms and if not, including prior to the Issue Date)); or
- (b) notwithstanding sub-paragraph (a) above, if a DC Credit Event Announcement has occurred, the Credit Event Resolution Request Date, provided that:
 - (A) no Physical Settlement Date or Cash Settlement Date (as applicable) has occurred on or prior to the date on which the DC Credit Event Announcement occurs;
 - (B) if any Valuation Date or Delivery Date, as applicable, has occurred as of the date on which the DC Credit Event Announcement occurs, an Event Determination Date shall be deemed to have occurred only with respect to the portion of the Reference Entity Notional Amount, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and
 - (C) no Credit Event Notice specifying a Restructuring as the only Credit Event has previously been delivered by the Swap Counterparty to the Issuer:
 - (x) unless the Restructuring stated in such Credit Event Notice is also the subject of the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date; or
 - (y) unless, and to the extent that, the Exercise Amount specified in any such Credit Event Notice was less than the then outstanding Reference Entity Notional Amount; and
 - (D) if the Credit Event that is the subject of the DC Credit Event Announcement is a Restructuring, the Swap Counterparty has delivered a Credit Event Notice to the Issuer, the Trustee, the Calculation Agent and the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, on or prior to the Exercise Cut-Off Date.

No Event Determination Date will occur, and any Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, a

DC No Credit Event Announcement occurs with respect to the event that, but for such DC No Credit Event Announcement, would have constituted a Credit Event prior to the Auction Final Price Determination Date, a Valuation Date, the Physical Settlement Date (or if earlier, a Delivery Date), or the Scheduled Maturity Date or Scheduled Redemption Date, as applicable.

"Excess Amount" means any amount paid to the Holders of Securities but which was not due on the Credit Linked Securities, as a result of the occurrence of a DC Credit Event Announcement or a Credit Event Resolution Request Date on or around the date on which the amount in question would otherwise have been required to be paid.

"Exchangeable Obligation" means any obligation that is exchangeable, in whole or in part, for Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation).

"Excluded Deliverable Obligation" means any obligation of a Reference Entity specified as such or of a type described as such in relation thereto.

"Excluded Obligation" means any obligation of a Reference Entity specified as such or of a type described as such in relation thereto.

"Exercise Amount" has the meaning given to it in Credit Linked Condition 8(A).

"Exercise Cut-off Date" means the date that is the later of:

- (a) 65 Business Days following the Final List Publication Date;
- (b) 15 Credit Security Business Days following the Auction Final Price Determination Date, if any;
- (c) 15 Credit Security Business Days following the Auction Cancellation Date, if any; or
- (d) the date that is 15 Credit Security Business Days following the No Auction Announcement Date, if any.

"Extended Physical Settlement Date" means:

- (a) in the case of a Capped Reference Entity, the 60th Credit Security Business Day following the Physical Settlement Date, provided that if, under the terms of a Hedge Transaction, the Original Bonds and Original Loans may not be received by the Issuer and/or the Swap Counterparty and/or any of its Affiliates on or before the Extended Physical Settlement Date but the Issuer and/or the Swap Counterparty and/or any of its Affiliates may, in accordance with the terms of the Hedge Transaction, receive or otherwise obtain such Original Bonds or such Original Loans or other Bonds or Loans in lieu thereof on or before the date falling three Credit Security Business Days (in a case where Original Bonds may be received or otherwise obtained after the Extended Physical Settlement Date) or ten Credit Security Business Days (in a case where Original Loans or other Loans or Bonds in lieu thereof may be received or otherwise obtained after the Extended Physical Settlement Date) after the Extended Physical Settlement Date, such date may be further extended to a date falling up to three Credit Security Business Days or ten Credit Security Business Days, respectively, after the original Extended Physical Settlement Date, or to such earlier date as the Calculation Agent may determine, in its absolute discretion; and

- (b) in the case of a Non-Capped Reference Entity, such date as the Swap Counterparty may determine in its absolute discretion, provided that such date falls no later than the 120th Credit Security Business Day following the Physical Settlement Date or, in the absence of such determination, such 120th Credit Security Business Day.

"Extension Date" means the latest of:

- (a) the Scheduled Maturity Date or Scheduled Redemption Date, as applicable;
- (b) the Grace Period Extension Date if:
 - (i) Failure to Pay is an applicable Credit Event in relation to any Reference Entity;
 - (ii) Grace Period Extension is specified as applicable in relation to such Reference Entity; and
 - (iii) the Swap Counterparty delivers an Extension Notice under sub-paragraph (b) of the definition thereof; and
- (c) the Repudiation/Moratorium Evaluation Date if:
 - (i) Repudiation/Moratorium is an applicable Credit Event in relation to any Reference Entity; and
 - (ii) the Swap Counterparty delivers an Extension Notice under sub-paragraph (c) of the definition thereof.

"Extension Notice" means a notice from the Swap Counterparty to the Issuer, the Trustee, the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, and the Calculation Agent giving notice of any or all of the following in relation to a Reference Entity:

- (a) without prejudice to sub-paragraphs (b), (c) or (d) below, that a Credit Event has occurred or may occur on or prior to the Scheduled Maturity Date or Scheduled Redemption Date, as applicable; or
- (b) that a Potential Failure to Pay has occurred or may occur on or prior to the Scheduled Maturity Date or Scheduled Redemption Date, as applicable (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)); or
- (c) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to the Scheduled Maturity Date or Scheduled Redemption Date, as applicable (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)); or
- (d) that a Credit Event Resolution Request Date has occurred or may occur on or prior to the last day of the Notice Delivery Period.

"Failure to Pay" means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure.

"Fallback Settlement Event" means:

- (a) an Auction Cancellation Date occurs;
- (b) a No Auction Announcement Date occurs (and in circumstances where the No Auction Announcement Date occurs pursuant to sub-paragraph (b) of the definition thereof, the Swap Counterparty has not delivered an Auction Settlement Amount Notice specifying an applicable Parallel Auction Settlement Terms on or prior to the date that is 65 Business Days following the Final List Publication Date or such earlier date as the Swap Counterparty may designate by notice to the Issuer, the Trustee, the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, and the Calculation Agent);
- (c) ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved, following a Credit Event Resolution Request Date, not to determine whether or not an event constitutes a Credit Event for the purposes of credit derivatives transactions for such Reference Entity in the over-the-counter market (including any Hedge Transaction);
- (d) ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that the relevant event that has occurred constitutes a Restructuring for the purposes of credit derivatives transactions for such Reference Entity in the over the counter market (including any Hedge Transaction) and that no Auction will be held with respect to such Reference Entity and Restructuring Credit Event; or
- (e) an Event Determination Date has occurred pursuant to sub-paragraph (a) of the definition of "Event Determination Date", and no Credit Event Request Resolution Date has occurred within two Business Days of such Event Determination Date.

"Fallback Settlement Method" means Cash Settlement or Physical Settlement, as specified in the Final Terms.

"Final List" has the meaning given to that term in the Rules.

"Final List Publication Date" means, in respect of a Credit Event, the date on which the last Final List in respect of such Credit Event is published by ISDA.

"Final Price" means the price of the Reference Obligation or, as applicable, any Valuation Obligation, Deliverable Obligation or Undeliverable Obligation, expressed as a percentage determined in accordance with the highest Quotation obtained by the Calculation Agent (or otherwise in accordance with the definition of "Quotation") with respect to the Relevant Valuation Date.

"First Ranking Interest" means an "Interest" which is expressed as being "first ranking", "first priority", or similar ("**First Ranking**") in the document creating such Interest (notwithstanding that such Interest may not be First Ranking under any insolvency laws of any relevant insolvency jurisdiction of the LPN Issuer).

"Fitch Ratings" means Fitch Ratings Limited, which is part of the Fitch Group, and any successor to its rating business.

"Full Quotation" means, in accordance with the bid quotations provided by the Credit Security Dealers, each firm quotation (expressed as a percentage of the Outstanding Principal Balance) obtained from a Credit Security Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation, Deliverable Obligation or, as the case may be, Undeliverable Obligations with an Outstanding Principal Balance equal to the Quotation Amount.

"Fully Transferable Obligation" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required in the case of any Deliverable Obligation other than Bonds. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this definition of "Fully Transferable Obligation". For purposes of determining whether a Deliverable Obligation satisfies the requirements of this definition of "Fully Transferable Obligation", such determination shall be made as of the Delivery Date for the relevant Deliverable Obligation, taking into account only the terms of the Deliverable Obligation and any related transfer or consent documents which have been obtained by the Swap Counterparty.

"Governmental Authority" means any de facto or de jure government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of a Reference Entity or of the jurisdiction of organisation of a Reference Entity.

"Grace Period" means:

- (a) subject to sub-paragraphs (b) and (c) the applicable grace period with respect to payments under the relevant Obligation under the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (b) if Grace Period Extension is applicable in relation to the relevant Reference Entity, a Potential Failure to Pay has occurred on or prior to the Scheduled Maturity Date or Scheduled Redemption Date, as applicable (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)) and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Maturity Date or Scheduled Redemption Date, as applicable (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)), the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the applicable Final Terms or, if no period is specified, thirty calendar days; and
- (c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless Grace Period Extension is specified in relation to the relevant Reference Entity as applicable in the Final Terms, such deemed Grace Period shall expire no later than the Scheduled Maturity Date or Scheduled Redemption Date, as applicable.

"Grace Period Business Day" means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation and if a place or places are not so specified, in the jurisdiction of the Obligation Currency.

"Grace Period Extension Date" means if:

- (a) Grace Period Extension is specified as applicable in relation to a Reference Entity in the Final Terms as applicable pursuant to the relevant Transaction Type; and

- (b) a Potential Failure to Pay occurs on or prior to the Scheduled Maturity Date or Scheduled Redemption Date, as applicable (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)),

the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay.

"Hedge Disruption Event" means the Swap Counterparty and/or any of its Affiliates has not received the relevant Deliverable Obligations and/or cash under the terms of a Hedge Transaction.

"Hedge Transaction" means any transaction or trading position entered into or held by the Swap Counterparty and/or any of its Affiliates to hedge, directly or indirectly, the Swap Counterparty's obligations or positions (whether in whole or in part) in respect of the Credit Default Swap Agreement.

"Hedging Disruption" means that either the Issuer or the Swap Counterparty and/or any of their respective Affiliates (if any) is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or options contract(s) it deems necessary to hedge its exposure with respect to the relevant Swap Agreement, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s) or any futures or options contract(s) or any relevant hedge positions relating to the Swap Agreement, as determined by the Calculation Agent.

"Increased Cost of Hedging" means that either the Issuer or the Swap Counterparty and/or any of their respective Affiliates (if any) would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, foreign exchange risk and interest rate risk) of the Swap Counterparty performing its obligations under the Swap Agreement entered into with respect to the Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Swap Counterparty and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

"Indicative Quotation" shall mean each bid quotation obtained from a Credit Security Dealer at the Valuation Time for (to the extent reasonably practicable) an amount of the Undeliverable Obligation equal to the Quotation Amount, which reflects such Credit Security Dealer's reasonable assessment of the price of such Undeliverable Obligation based on such factors as such Credit Security Dealer may consider relevant, which may include historical prices and recovery rates.

"Interest" means, for the purposes of the definition of "First Ranking Interest", a charge, security interest or other type of interest having similar effect.

"ISDA" means the International Swaps and Derivatives Association, Inc. (or any successor thereto).

"July 2009 Supplement" means the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions, as published by ISDA on 14 July 2009.

"Latest Maturity Restructured Bond or Loan" means, in respect of a Reference Entity and a Credit Event that is a Restructuring, the Restructured Bond or Loan with the latest final maturity date.

"Latest Permissible Physical Settlement Date" means, in respect of partial cash settlement due to a Potential Cash Settlement Event, 30 calendar days following the Physical Settlement Date and, in respect of Partial Cash Settlement (as specified in the Final Terms) in respect of a Deliverable Obligation comprised of Loans, the date that is 15 Credit Security Business Days after the Physical Settlement Date.

"Legacy Reference Entity" has the meaning given to such term in Credit Linked Condition (6)(B)(ii) above.

"Limitation Date" means, in respect of a Credit Event that is a Restructuring, the first of 20 March, 20 June, 20 September or 20 December in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the **"2.5-year Limitation Date"**), 5 years (the **"5-year Limitation Date"**), 7.5 years, 10 years, 12.5 years, 15 years or 20 years (the **"20-year Limitation Date"**), as applicable. Limitation Dates shall not be subject to adjustment unless otherwise provided in the Final Terms.

"Linear Basket Credit Linked Security" means Credit Linked Securities where there is a basket of Reference Entities (other than on an Nth-to-default basis), as specified in the Final Terms.

"Listed" means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange and, if specified as applicable to an Obligation Category, the Listed Obligation Characteristic shall be applicable only in respect of obligations within that Obligation Category that are Bonds or, if specified as applicable to a Deliverable Obligation Category, the Listing Deliverable Obligation Characteristics shall be applicable only in respect of obligations within that Deliverable Obligation Category that are Bonds.

"Loan" means any obligation of a type included in the Borrowed Money Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money.

"London Business Day" means a day on which commercial banks and foreign exchange markets are generally open to settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

"LPN" means any bond issued in the form of a loan participation note.

"LPN Issuer" means, in respect of any LPN, the entity which issued the relevant LPN.

"LPN Reference Obligation" means each Reference Obligation other than any Additional Obligation which is issued for the sole purpose of providing funds to the LPN Issuer to finance an Underlying Loan. For the avoidance of doubt, any change to the issuer of an LPN Reference Obligation in accordance with its terms shall not prevent such LPN Reference Obligation from constituting a Reference Obligation.

"Maximum Maturity" means an obligation that has a remaining maturity from the Physical Settlement Date of not greater than:

- (a) the period specified in relation to a Reference Entity; or
- (b) if no such period is so specified, 30 years.

"Minimum Quotation Amount" means the amount specified as such in the applicable Final Terms (or its equivalent in the relevant Obligation Currency) or, if no amount is so specified, the lower of:

- (a) U.S.\$ 1,000,000 (or its equivalent in the relevant Obligation Currency); and
- (b) the Quotation Amount.

"Modified Eligible Transferee" means any bank, financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities and other financial assets.

"Modified Restructuring Maturity Limitation Date" means with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Date, or Scheduled Redemption Date, as applicable provided that, in circumstances where the Scheduled Maturity Date or Scheduled Redemption Date, as applicable is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. With respect to a Reference Entity for which Restructuring is an applicable Credit Event and for which "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the Final Terms or is applicable in respect of the applicable Transaction Type and for which the Scheduled Maturity Date or Scheduled Redemption Date, as applicable is later than the 2.5-year Limitation Date and prior to the 5-year Limitation Date, a Restructured Bond or Loan will not constitute an Enabling Obligation. Notwithstanding the foregoing, if the Scheduled Maturity Date or Scheduled Redemption Date, as applicable is either:

- (a) on or prior to the 2.5-year Limitation Date; or
- (b) later than the 2.5-year Limitation Date and on or prior to the 5-year Limitation Date and no Enabling Obligation exists,

the Modified Restructuring Maturity Limitation Date will be the 5-year Limitation Date in the case of a Restructured Bond or Loan only.

Subject to the foregoing, in the event that the Scheduled Maturity Date or Scheduled Redemption Date, as applicable is later than:

- (i) the 2.5-year Limitation Date and no Enabling Obligation exists; or
- (ii) the 20-year Limitation Date,

the Modified Restructuring Maturity Limitation Date will be the Scheduled Maturity Date.

"Moody's" means Moody's Investors Service Ltd. and any successor to its rating business.

"Multiple Holder Obligation" means an Obligation that:

- (a) at the time of the event which constitutes a Restructuring Credit Event is held by more than three holders that are not Affiliates of each other; and
- (b) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event,

provided that any Obligation that is a Bond shall be deemed to satisfy the requirement in (b) above.

"N" or **"Nth"** means, where the applicable Final Terms specify that "Nth-to-Default Credit Linked Security" is applicable, such number as may be specified in such Final Terms.

"Next Currency Fixing Time" means 4.00 p.m. (London time) on the London Business Day immediately following the date on which the Notice of Physical Settlement or relevant NOPs Amendment Notice, as applicable, is effective or, as applicable, the date of selection of Valuation Obligations.

"No Auction Announcement Date" means, with respect to any Reference Entity, the date on which ISDA announces that:

- (a) no Transaction Auction Settlement Terms and, if applicable Parallel Auction Settlement Terms will be published with respect to credit derivative transactions in the over-the-counter market and the relevant Credit Event and Reference Entity;
- (b) following the occurrence of a Credit Event which is a Restructuring in respect of such Reference Entity for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the Final Terms or is applicable in respect of the applicable Transaction Type, no Transaction Auction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published; or
- (c) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held with respect to such Reference Entity and Credit Event for which any Hedge Transaction is an Auction Covered Transaction following a prior public announcement by ISDA to the contrary.

"Non-Capped Reference Entity" means a Reference Entity which is not a Capped Reference Entity.

"NOPS Amendment Notice" means a notice from the Swap Counterparty to the Issuer, the Trustee, the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, and the Calculation Agent notifying them that the Swap Counterparty is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such NOPS Amendment Notice is effective) or the detailed description(s) thereof.

"Not Bearer" means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognised clearing system and, if specified as applicable to a Deliverable Obligation Category, the Not Bearer Deliverable Obligation Characteristic shall be applicable only in respect of obligations within that Deliverable Obligation Category that are Bonds.

"Not Contingent" means any obligation having as of the Delivery Date and all times thereafter an Outstanding Principal Balance or, in the case of obligations that are not Borrowed Money, a Due and Payable Amount, that pursuant to the terms of such obligation may not be reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). A Convertible Obligation, an Exchangeable Obligation and an Accreting Obligation shall constitute Deliverable Obligations that are Not Contingent if such Convertible Obligation, Exchangeable Obligation or Accreting Obligation otherwise meets the requirements of the preceding sentence so long as, in the case of a Convertible Obligation or an Exchangeable Obligation, the right:

- (a) to convert or exchange such obligation; or
- (b) to require the issuer to purchase or redeem such obligation (if the issuer has exercised or may exercise the right to pay the purchase or redemption price, in whole or in part, in Equity Securities),

has not been exercised (or such exercise has been effectively rescinded) on or before the Delivery Date.

If a Reference Obligation is a Convertible Obligation or an Exchangeable Obligation, then such Reference Obligation may be included as a Deliverable Obligation only if the rights referred to in (a) and (b) above have not been exercised (or such exercise has been effectively rescinded) on or before the Delivery Date.

"Not Domestic Currency" means any obligation that is payable in any currency other than the Domestic Currency.

"Not Domestic Issuance" means any obligation other than an obligation that was, at the time the relevant obligation was issued (or reissued, as the case may be) or incurred, intended to be offered for sale primarily in the domestic market of the relevant Reference Entity. Any obligation that is registered or qualified for sale outside the domestic market of the relevant Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the relevant Reference Entity) shall be deemed not to be intended for sale primarily in the domestic market of the Reference Entity.

"Not Domestic Law" means any obligation that is not governed by the laws of:

- (a) the relevant Reference Entity, if such Reference Entity is a Sovereign; or
- (b) the jurisdiction of organisation of the relevant Reference Entity, if such Reference Entity is not a Sovereign.

"Not Sovereign Lender" means any obligation that is not primarily owed to a Sovereign or Supranational Organisation, including, without limitation, obligations generally referred to as "Paris Club debt".

"Not Subordinated" means an obligation that is not Subordinated to:

- (a) the most senior Reference Obligation in priority of payment; or
- (b) if no Reference Obligation is specified in the Final Terms, any unsubordinated Borrowed Money obligation of the Reference Entity,

provided that, if any of the events set forth under sub-paragraph (a) of the definition of "Substitute Reference Obligation" have occurred with respect to all of the Reference Obligations or if the last paragraph of the definition of "Successor" applies with respect to the Reference Obligation (each, in each case, a **"Prior Reference Obligation"**) and no Substitute Reference Obligation has been identified for any of the Prior Reference Obligations at the time of the determination of whether an obligation satisfies the "Not Subordinated" Obligation Characteristic or Deliverable Obligation Characteristic, as applicable, **"Not Subordinated"** shall mean an obligation that would not have been Subordinated to the most senior such Prior Reference Obligation in priority of payment.

For purposes of determining whether an obligation satisfies the "Not Subordinated" Obligation Characteristic or Deliverable Obligation Characteristic, the ranking in priority of payment of each Reference Obligation or each Prior Reference Obligation, as applicable, shall be determined as of the date as of which the relevant Reference Obligation or Prior Reference Obligation, as applicable, was issued or incurred, and shall not reflect any change to such ranking in priority of payment after such date.

"Notice Delivery Period" means the period from and including the Trade Date to and including the date 15 Credit Security Business Days (or such other number of days as may be specified in the Final Terms) after the Extension Date (or, if the relevant Credit Event is a Restructuring and either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified (or deemed specified) in the Final Terms, the later of:

- (a) such date; and
- (b) the date that is 65 Business Days following the Final List Publication Date).

"Notice of Physical Settlement" means a notice delivered from the Swap Counterparty to the Issuer, the Trustee, the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, and the Calculation Agent on or prior to the later of:

- (a) 65 Credit Security Business Days following the Final List Publication Date;
- (b) subject to sub-paragraph (c) below, 25 Credit Security Business Days after the last to occur of the Auction Cancellation Date, the No Auction Announcement Date, the last Parallel Auction Cancellation Date and the last Parallel Auction Final Price Determination Date (in each case if any and if applicable); and
- (c) in circumstances where the No Auction Announcement Date occurs pursuant to sub-paragraph (b) of the definition thereof, the Swap Counterparty has not delivered an Auction Settlement Amount Notice specifying an applicable Parallel Auction Settlement Terms to the Calculation Agent by the Restructuring Exercise Date, 5 Credit Security Business Days following such Restructuring Exercise Date,

that:

- (i) irrevocably confirms that the Issuer will redeem the Credit Linked Securities by physical delivery in accordance with Credit Linked Condition 4;
- (ii) contains a detailed description of the Deliverable Obligations that the Issuer will Deliver (or procure Delivery of) to the Holders of Securities, including the Outstanding Amount; and
- (iii) where the relevant Credit Event is a Restructuring and either "Restructuring Maturity Limitation Date and Fully Transferable Obligation Applicable" and "Modified Restructuring Maturity Limitation Date and Conditionally Transferable Obligation Applicable" is specified (or deemed specified) in the Final Terms or is applicable in respect of the applicable Transaction Type and the Scheduled Maturity Date or Scheduled Redemption Date, as applicable, of the Credit Linked Securities is later than:
 - (A) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any; or
 - (B) the 2.5 year Limitation Date,

contains a detailed description of at least one Enabling Obligation (if any such Enabling Obligation exists).

The Notice of Physical Settlement shall specify Deliverable Obligations having an Outstanding Amount (or the equivalent specified Currency Amount converted at the Currency Rate) on the Settlement Valuation Date equal to the Reference Entity Notional Amount (or, as applicable, Exercise Amount), subject to any Physical Settlement Adjustment.

The Swap Counterparty may, from time to time, deliver to the Issuer, the Trustee, the Issuing and Paying Agent or the Principal Warrant and Certificate Agent, as applicable, and the Calculation Agent in the manner specified above a NOPS Amendment Notice. A NOPS Amendment Notice shall contain a revised detailed description of each Replacement Deliverable Obligation and shall also specify the Replaced Deliverable Obligation Outstanding Amount. The Outstanding Amount of each Replacement Deliverable Obligation identified in a NOPS Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant Replaced Deliverable Obligation Outstanding Amount. Each such NOPS Amendment Notice must be effective on or prior to the Physical Settlement Date (determined without reference to any change resulting from such NOPS Amendment Notice). Notwithstanding the foregoing, the Swap Counterparty may

correct any errors or inconsistencies in the detailed description of each Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice to the Issuer, the Trustee, the Issuing and Paying Agent or Principal Certificate Agent, as applicable, and the Calculation Agent (given in the manner specified above) prior to the relevant Delivery Date, it being understood that such notice of correction shall not constitute a NOPS Amendment Notice.

"Notice of Publicly Available Information" means an irrevocable notice under the Swap Agreement from the Swap Counterparty (which may be by telephone) to the Issuer, the Issuing and Paying Agent or Principal Certificate Agent, as applicable, and the Calculation Agent (with, for information purposes only, a copy in writing of such notice (a **"Copy Information Notice"**) sent to the Trustee; for the avoidance of doubt, failure to deliver a Copy Information Notice will not invalidate the Notice of Publicly Available Information) that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice. In relation to a Repudiation/Moratorium Credit Event, the Notice of Publicly Available Information must cite Publicly Available Information confirming the occurrence of both sub-paragraphs (a) and (b) of the definition of "Repudiation/Moratorium". The notice must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If Notice of Publicly Available Information is specified as applicable in the Final Terms and a Credit Event Notice contains Publicly Available Information, such Credit Event Notice will also be deemed to be a Notice of Publicly Available Information.

"Notional Credit Derivative Transaction" means, with respect to any Credit Linked Security and a Reference Entity, a hypothetical market standard credit default swap transaction entered into by the Swap Counterparty, as Buyer (as defined in the Credit Derivatives Definitions), incorporating the terms of the Credit Derivatives Definitions and under the terms of which:

- (a) the "Trade Date" is the Trade Date, if specified in the Final Terms and if not, the Issue Date;
- (b) the "Scheduled Termination Date" is the Scheduled Maturity Date or Scheduled Redemption Date, as applicable;
- (c) the "Reference Entit(y)(ies)" thereunder is(are) such Reference Entit(y)(ies);
- (d) the applicable "Transaction Type", if any, is the Transaction Type for the purposes of such Credit Linked Security; and
- (e) the remaining terms as to credit linkage are consistent with the terms of such Credit Linked Security as it relates to such Reference Entity.

"Nth-to-Default Credit Linked Security" means any first-to-default Credit Linked Securities or any other nth-to-default Credit Linked Securities where there are two or more Reference Entities as specified in the Final Terms.

"Obligation" means:

- (a) each obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified in relation to a Reference Entity, as provider of any Qualifying Guarantee) described by the Obligation Category specified in the applicable Final Terms, and having each of the Obligation Characteristics specified in the Final Terms (but excluding any Excluded Obligation), in each case, as of the date of the event which constitutes the Credit Event which is the subject of the Credit Event Notice or a notice to ISDA which results in the occurrence of the Credit Event Resolution Request Date, as applicable, but excluding any Excluded Obligation;

- (b) each Reference Obligation specified in the applicable Final Terms, unless specified as an Excluded Obligation; and
- (c) any other obligation of a Reference Entity specified as such in the applicable Final Terms.

"Obligation Acceleration" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.

"Obligation Category" means Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in relation to a Reference Entity.

"Obligation Characteristic" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance as specified in the Final Terms.

"Obligation Currency" means the currency or currencies in which an Obligation is denominated.

"Obligation Default" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default, or other similar condition or event (howsoever described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.

"Officer's Certification" means a certificate signed by a director (or other substantively equivalent title) of the Swap Counterparty which shall certify the occurrence of a Credit Event with respect to a Reference Entity.

"Original Bonds" means any Bonds comprising part of the relevant Deliverable Obligations.

"Original Loans" means any Loans comprising part of the relevant Deliverable Obligations.

"Outstanding Amount" means the Outstanding Principal Balance or Due and Payable Amount, as applicable.

"Outstanding Principal Balance" means:

- (a) with respect to any Accreting Obligation, the Accreted Amount thereof;
- (b) with respect to any Exchangeable Obligation that is not an Accreting Obligation, the outstanding principal balance of such obligation excluding any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities into which such obligation is exchangeable; and
- (c) with respect to any other Obligation, the outstanding principal balance of such Obligation.

"Parallel Auction" means "Auction" as defined in any relevant Parallel Auction Settlement Terms.

"Parallel Auction Cancellation Date" means "Auction Cancellation Date" as defined in any relevant Parallel Auction Settlement Terms.

"Parallel Auction Final Price Determination Date" means the "Auction Final Price Determination Date" as defined in any relevant Parallel Auction Settlement Terms.

"Parallel Auction Settlement Terms" means, in respect of a Credit Event with respect to a Reference Entity, following the occurrence of a Restructuring for which either "Restructuring

Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified (or deemed to be specified) in the Final Terms and Credit Linked Securities, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such Restructuring in accordance with the Rules, and for which the Deliverable Obligation Terms are the same as the Deliverable Obligation Provisions which would be applicable to the Notional Credit Derivative Transaction (but the Permissible Deliverable Obligations are more limited than the Permissible Deliverable Obligations under the Transaction Auction Settlement Terms) and for which the Notional Credit Derivative Transaction would not be an Auction Covered Transaction.

"Partial Cash Settlement Amount" means, where the applicable Settlement Method is Physical Settlement, an amount determined by the Calculation Agent equal to the aggregate, for each Undeliverable Obligation, of:

- (a) the Final Price of such Undeliverable Obligations multiplied by;
- (b) the relevant Outstanding Principal Balance, Due and Payable Amount or Currency Amount, as applicable, of such Undeliverable Obligation specified in the relevant Notice of Physical Settlement.

"Partial Cash Settlement Date" means, the date falling three Credit Security Business Days (unless otherwise specified in relation to a Reference Entity) after the calculation of the Final Price.

"Payment" means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money.

"Payment Requirement" means the amount specified as such the applicable Final Terms or its equivalent in the relevant Obligation Currency or, if a Payment Requirement is not so specified in the applicable Final Terms, U.S.\$ 1,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

"Permissible Deliverable Obligations" has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms, being either all or the portion of the Deliverable Obligations included on the Final List pursuant to the Deliverable Obligation Terms that are applicable to that Auction.

"Permitted Currency" means:

- (a) the legal tender of any Group of seven country (or any country that becomes a member of the Group of seven if such Group of seven expands its membership); or
- (b) the legal tender of any country which, as of the date of such change, is a member of the Organisation for Economic Co-operation and Development and has a local currency long term debt rating of either "AAA" or higher assigned to it by S&P, "Aaa" or higher assigned to it by Moody's or "AAA" or higher assigned to it by Fitch Ratings.

"Physical Settlement Adjustment" means a reduction to the Outstanding Amount of Deliverable Obligations specified in a Notice of Physical Settlement, by an amount of Deliverable Obligations having a liquidation value equal to the Unwind Costs and Charged Assets Loss (in each case, only if positive) rounded upwards to the nearest whole denomination of a Deliverable Obligation, such amount to be determined by the Calculation Agent. For the avoidance of doubt, if the applicable Final Terms specify that Unwind Costs are not applicable, the Physical Settlement Adjustment shall be zero.

"Physical Settlement Adjustment Rounding Amount" means an amount (if any) equal to the difference between the absolute value of the Physical Settlement Adjustment and the liquidation

value of such whole number of Deliverable Obligations as are not required to be Delivered by the Swap Counterparty by way of compensation for any Unwind Costs.

"Physical Settlement Date" means the last day of the longest Physical Settlement Period following the satisfaction of all applicable Conditions to Settlement as specified in relation to a Reference Entity as the Swap Counterparty may designate in its discretion pursuant to the Credit Default Swap Agreement, provided that if the Final Price has not been determined by the Credit Security Business Day immediately preceding the Physical Settlement Date, the Physical Settlement Date shall be the first Credit Security Business Day after the Final Price is determined.

"Physical Settlement Matrix" means the Credit Derivatives Physical Settlement Matrix Supplement to the Credit Derivatives Definitions, as most recently amended or supplemented as at the Trade Date (unless otherwise specified in relation to a Reference Entity) and as published by ISDA, currently at <http://www.isda.org>, provided that any reference therein to:

- (a) "Confirmation" shall be deemed to be a reference to the applicable Final Terms;
- (b) "Floating Rate Payer Calculation Amount" shall be deemed to be a reference to the Specified Currency;
- (c) "Section 3.3 of the Definitions" shall be deemed to be a reference to "Credit Event Notice" as defined in this Annex;
- (d) "Section 3.9" shall be deemed to be a reference to Credit Linked Condition 8(A); and
- (e) "Section 8.6" shall be deemed to be a reference to "Physical Settlement Period" as defined in this Annex.

"Physical Settlement Period" means, subject to Credit Linked Condition 2(D), the number of Credit Security Business Days specified as such in relation to a Reference Entity or, if a number of Credit Security Business Days is not so specified, then, with respect to a Deliverable Obligation specified in the Notice of Physical Settlement, the longest number of Credit Security Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as determined by the Calculation Agent.

"Potential Cash Settlement Event" means an event beyond the control of the Issuer and/or the Swap Counterparty (including, without limitation, failure of the relevant clearance system; or the failure to obtain any requisite consent with respect to the Delivery of Loans or the non-receipt of any such requisite consents or any relevant participation (in the case of Direct Loan Participation) is not effected; or due to any law, regulation or court order, but excluding markets conditions or any contractual, statutory and/or regulatory restriction relating to the relevant Deliverable Obligation, or due to the failure of the Holder of Securities to give the Issuer details of accounts for settlement; or a failure of the Holder of Securities to open or procure the opening of such accounts or if the Holders of Securities are unable to accept Delivery of the portfolio of Deliverable Obligations for any other reason).

"Potential Failure to Pay" means the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement (if any) under one or more Obligations, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations, in accordance with the terms of such Obligations at the time of such failure.

"Potential Repudiation/Moratorium" means the occurrence of an event described in subparagraph (a)(i) of the definition of "Repudiation/Moratorium".

"Public Source" means each source of Publicly Available Information specified as such in the applicable Final Terms (or, if a source is not so specified in the Final Terms, each of Bloomberg

Service, Dow Jones Telerate Service, Reuter Monitor Money Rates Services, Dow Jones News Wire, Wall Street Journal, New York Times, Nihon Keizai Shinbun, Asahi Shinbun, Yomiuri Shinbun, Financial Times, La Tribune, Les Echos and The Australian Financial Review (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organised and any other internationally recognised published or electronically displayed news sources).

"Publicly Available Information" means:

- (A) information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice has occurred and which:
 - (a) has been published in or on not fewer than two Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information provided that, if the Swap Counterparty or any of its Affiliates is cited as the sole source of such information, then such information shall not be deemed to be Publicly Available Information unless the Swap Counterparty or its Affiliates is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent, facility agent or agent bank for an Obligation;
 - (b) is information received from or published by (X) a Reference Entity that is not a party to the relevant Credit Default Swap Agreement (or a Sovereign Agency in respect of a Reference Entity which is a Sovereign or (Y) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation;
 - (c) is information contained in any petition or filing instituting a proceeding described in sub-paragraph (d) of the definition of "Bankruptcy" against or by a Reference Entity; or
 - (d) is information contained in any order, decree, notice or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body.
- (B) In the event that with respect to a credit derivative transaction in which the Swap Counterparty is:
 - (i) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation; and
 - (ii) a holder of the Obligations with respect to which a Credit Event has occurred, the Swap Counterparty shall be required to deliver an Officer's Certification.
- (C) In relation to any information of any type described in sub-paragraphs (A) (b), (c) and (d) above, the party receiving such information may assume that such information has been disclosed to it without violating any law, agreement or understanding regarding the confidentiality of such information and that the party delivering such information has not taken any action or entered into any agreement or understanding with the Reference Entity or any Affiliate of the Reference Entity that would be breached by, or would prevent, the disclosure of such information to third parties.
- (D) Publicly Available Information need not state:
 - (i) in relation to the definition of "Downstream Affiliate", the percentage of Voting Shares owned, directly or indirectly, by the Reference Entity; and

- (ii) that such occurrence:
 - (A) has met the Payment Requirement or Default Requirement;
 - (B) is the result of exceeding any applicable Grace Period; or
 - (C) has met the subjective criteria specified in certain Credit Events.

"Qualifying Affiliate Guarantee" means a Qualifying Guarantee provided by a Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of that Reference Entity.

"Qualifying Guarantee" means an arrangement evidenced by a written instrument pursuant to which a Reference Entity irrevocably agrees (by guarantee of payment or equivalent legal arrangement) to pay all amounts due under an Underlying Obligation on behalf of the Underlying Obligor. Qualifying Guarantees shall exclude any arrangement:

- (a) structured as a surety bond, financial guarantee insurance policy, letter of credit or equivalent legal arrangement; or
- (b) pursuant to the terms of which the payment obligations of the Reference Entity can be discharged, reduced, assigned or otherwise altered (other than by operation of law) as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). The benefit of a Qualifying Guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation.

"Qualifying Participation Seller" means any participation seller that meets the requirements specified in relation to a Reference Entity. If no such requirements are specified, there shall be no Qualifying Participation Seller.

"Quotation" means, in respect of Reference Obligations, Deliverable Obligations and Undeliverable Obligations, as the case may be, each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage with respect to a Relevant Valuation Date in the manner that follows:

- (a) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Relevant Valuation Date from five or more Credit Security Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Credit Security Business Day within three Credit Security Business Days of a Relevant Valuation Date, then on the next following Credit Security Business Day (and, if necessary, on each Credit Security Business Day thereafter until the tenth Credit Security Business Day following the applicable Relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Credit Security Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation. If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Credit Security Business Day on or prior to the tenth Credit Security Business Day following the applicable Relevant Valuation Date the Quotations shall be deemed to be any Full Quotation obtained from a Credit Security Dealer at the Valuation Time on such tenth Credit Security Business Day, or if no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Credit Security Dealers at the Valuation Time on such tenth Credit Security Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation shall be deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.
- (b) If:

- (i) "Include Accrued Interest" is specified in the applicable Final Terms in respect of Quotations, such Quotations shall include accrued but unpaid interest;
 - (ii) "Exclude Accrued Interest" is specified in the applicable Final Terms in respect of Quotations, such Quotations shall not include accrued but unpaid interest; and
 - (iii) neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified in the applicable Final Terms in respect of Quotations, the Calculation Agent shall determine based on then current market practice in the market of the Reference Obligation, whether such Quotations shall include or exclude accrued but unpaid interest, all Quotations shall be obtained in accordance with this determination.
- (c) If any Quotation obtained with respect to an Accreting Obligation is expressed as a percentage of the amount payable in respect of such obligation at maturity, such Quotation will instead be expressed as a percentage of the Outstanding Principal Balance for the purposes of determining the Final Price.

"Quotation Amount" means:

- (a) with respect to a Reference Obligation, the amount specified in relation to a Reference Entity (which may be specified by reference to an amount in a currency or by reference to the Representative Amount) or, if no amount is so specified, the Reference Entity Notional Amount (or, its equivalent in the relevant Obligation Currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained);
- (b) with respect to each type or issue of Deliverable Obligation to be Delivered on or prior to the Physical Settlement Date, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency as calculated in the same manner as (a) above) of such Deliverable Obligation; and
- (c) with respect to each type or issue of Undeliverable Obligation, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency as calculated in the same manner as (a) above) of such Undeliverable Obligation.

"Redemption Agent" means the party specified as such in the applicable Final Terms.

"Reference Entity" or **"Reference Entities"** means the reference entity or reference entities specified in the Final Terms and any Successor to a Reference Entity either:

- (a) as identified by the Calculation Agent in accordance with the definition of "Successor" on or following the Trade Date; or
- (b) in respect of which ISDA publicly announces on or following the Trade Date that the relevant Credit Derivatives Determinations Committee has resolved that a Succession Event has occurred, in respect of a Succession Event Resolution Request Date. A Successor in accordance with the Rules shall in each case be a Reference Entity for the Securities, as the terms of which may be modified pursuant to Credit Linked Condition 6.

"Reference Entity Notional Amount" means the amount in respect of one or more Reference Entities, as set out in the Final Terms (or, if no such amount is specified, the Aggregate Nominal Amount of the Notes or the Aggregate Notional Amount of the Certificates, as the case may be, divided by the number of Reference Entities), subject to Credit Linked Condition 6.

"Reference Obligation" means:

- (a) the Reference Obligation specified in relation to a Reference Entity; and
- (b) any Substitute Reference Obligation.

"Reference Obligations Only" means any obligation that is a Reference Obligation and no Obligation Characteristics or, as the case may be, Deliverable Obligation Characteristics shall be applicable where Reference Obligations Only applies.

"Relevant Obligations" means:

- (a) subject to sub-paragraph (b) below, the Obligations constituting Bonds and Loans of the Reference Entity outstanding immediately prior to the effective date of the Succession Event, excluding any debt obligations outstanding between the Reference Entity and any of its Affiliates, as determined by the Calculation Agent. The Calculation Agent will determine the entity which succeeds to such Relevant Obligations on the basis of the Best Available Information. If the date on which the Best Available Information becomes available or is filed precedes the legally effective date of the relevant Succession Event, any assumptions as to the allocation of obligations between or among entities contained in the Best Available Information will be deemed to have been fulfilled as of the legally effective date of the Succession Event, whether or not this is in fact the case; and
- (b) where "LPN Reference Entity" is applicable to a Reference Entity, each of the obligations listed as a Reference Obligation of such Reference Entity in the relevant "LPN Reference Obligation List" as published by Markit Group Limited, or any successor thereto, which list is currently available at <http://www.markit.com/marketing/services.php>, any Additional LPN, and each Additional Obligation.

"Reference Price" means the percentage specified as such in relation to a Reference Entity or, if a percentage is not so specified, 100 per cent.

"Relevant Valuation Date" means the Settlement Valuation Date, Valuation Date or Undeliverable Valuation Date, as the case may be.

"Replaced Deliverable Obligation Outstanding Amount" means the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced.

"Replacement Deliverable Obligation" means each replacement Deliverable Obligation that the Swap Counterparty will or that the Issuer will procure the Swap Counterparty to, subject to Credit Linked Condition 4, Deliver to the Holders of Securities in lieu of each original Deliverable Obligation which has not been Delivered as at the date of such NOPS Amendment Notice.

"Replacement Reference Entity" means an entity selected by the Calculation Agent in its discretion which is incorporated in the same geographical area, has the same Transaction Type as the Legacy Reference Entity and which is of a similar or better credit quality than the Legacy Reference Entity, as measured by Standard & Poor's Ratings Services and/or by Moody's Investors Service Inc., at the date of the relevant Succession Event provided that in selecting any Replacement Reference Entity, the Calculation Agent is under no obligation to the Holders of Securities, the Issuer or any other person and, provided that the Successor selected meets the criteria specified above, is entitled, and indeed will endeavour, to select the least credit-worthy of the Successors. In making any selection, the Calculation Agent will not be liable to account to the Holders of Securities, the Issuer or any other person for any profit or other benefit to it or any of its Affiliates which may result directly or indirectly from any such selection.

"Representative Amount" means an amount that is representative for a single transaction in the relevant market and at the relevant time, such amount to be determined by the Calculation Agent.

"Repudiation/Moratorium" means the occurrence of both of the following events:

- (a) an authorised officer of a Reference Entity or a Governmental Authority:
 - (i) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or
 - (ii) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and
- (b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date.

"Repudiation/Moratorium Evaluation Date" means, if a Potential Repudiation/Moratorium occurs on or prior to the Scheduled Maturity Date or Scheduled Redemption Date, as applicable (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix) Tokyo time)):

- (a) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of:
 - (i) the date that is 60 days after the date of such Potential Repudiation/Moratorium; and
 - (ii) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date); and
- (b) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium.

"Resolve" has the meaning given to that term in the Rules, and "Resolved" and "Resolves" shall be interpreted accordingly.

"Restructured Bond or Loan" means an Obligation which is a Bond or Loan and in respect of which the relevant Restructuring has occurred.

"Restructuring" means:

- (a) that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of such Obligation or is announced (or otherwise decreed) by a Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation, and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date and the date as of which such Obligation is issued or incurred:
 - (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals;

- (ii) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;
 - (iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest or (B) the payment of principal or premium;
 - (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
 - (v) any change in the currency or composition of any payment of interest or principal to any currency which is not a Permitted Currency.
- (b) Notwithstanding the provisions of (a) above, none of the following shall constitute a Restructuring:
- (i) the payment in euro of interest or principal in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
 - (ii) the occurrence of, agreement to or announcement of any of the events described in (i) to (v) (inclusive) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
 - (iii) the occurrence of, agreement to or announcement of any of the events described (i) to (v) (inclusive) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity.
- (c) For the purposes of (a) and (b) above and Credit Linked Condition 8(D), the term "Obligation" shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in relation to a Reference Entity, as provider of any Qualifying Guarantee. In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in (a) above shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in (b) above shall continue to refer to the Reference Entity.

"Restructuring Date" means, with respect to a Restructured Bond or Loan, the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

"Restructuring Exercise Date" means the date that is 65 Business Days following the Final List Publication Date.

"Restructuring Maturity Limitation Date" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Date or Scheduled Redemption Date, as applicable, provided that, in circumstances where the Scheduled Maturity Date or Scheduled Redemption Date, as applicable is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date (such Restructured Bond or Loan, a **"Latest Maturity Restructured Bond or Loan"**) and the Scheduled Maturity Date or Scheduled Redemption Date, as applicable occurs prior to the final maturity date of such Latest Maturity Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan.

In the event that the Scheduled Maturity Date or Scheduled Redemption Date, as applicable, is later than:

- (a) either:
 - (i) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any; or
 - (ii) the 2.5-year Limitation Date,and, in either case, no Enabling Obligation exists; or
- (b) the 20-year Limitation Date,

the Restructuring Maturity Limitation Date will be the Scheduled Maturity Date or Scheduled Redemption Date, as applicable.

"Revised Currency Rate" means, with respect to a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either:

- (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time; or
- (b) if such rate is not available at such time, by the Calculation Agent in a commercially reasonable manner after consultation with the parties.

"Rules" means the Credit Derivatives Determinations Committee Rules, as published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof.

"S&P" means Standard & Poor's Ratings Services, and any successor to its rating business.

"Scheduled Maturity Date" means, in respect of Notes, the date specified as such in the applicable Final Terms which shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the applicable Final Terms.

"Scheduled Redemption Date" means, in respect of Certificates, the date specified as such in the applicable Final Terms which shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the applicable Final Terms.

"Settlement Currency" means the currency specified as such in the applicable Final Terms, or if no currency is so specified in the Final Terms, the Specified Currency.

"Senior Obligation" means, for the purposes of the definitions of "Subordination" and "Subordinated Obligation", an obligation of the Reference Entity to which the Subordinated Obligation is being compared.

"Settlement Method" means the settlement method specified as such in the Final Terms and if no Settlement Method is specified in the Final Terms, Auction Settlement;

"Settlement Valuation Date" means the date being three Credit Security Business Days prior to the Delivery Date provided that if a Notice of Physical Settlement is given or, as the case may be, changed at any time after the third Credit Security Business Day prior to the Physical Settlement Date, the Settlement Valuation Date shall be the date which is three Credit Security Business Days after such Notice of Physical Settlement is given.

"Single Reference Entity Credit Linked Security" means Credit Linked Securities where there is only one Reference Entity.

"Sovereign" means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority (including without limiting the foregoing, the central bank) thereof.

"Sovereign Agency" means any agency, instrumentality, ministry, department or other authority (including, without limiting the foregoing, the central bank) of a Sovereign.

"Sovereign Restructured Deliverable Obligation" means an Obligation of a Sovereign Reference Entity:

- (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice has occurred; and
- (b) described by the Deliverable Obligation Category specified in relation to a Reference Entity,

and, subject as set out in the definition of "Deliverable Obligation Category", having each of the Deliverable Obligation Characteristics, if any, specified in the Final Terms, in each case, immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring without regard to whether the Obligation would satisfy such Deliverable Obligation Category or Deliverable Obligation Characteristics after such Restructuring.

"Specified Currency" means, for the purposes of determining compliance with the Obligations Characteristics and Deliverable Obligation Characteristics only, an obligation that is payable in the currency or currencies specified as such in relation to a Reference Entity (or, if Specified Currency is specified in the Final Terms and no currency is so specified, any of the Standard Specified Currencies).

"Standard Specified Currencies" means the lawful currencies of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies.

"Subordinated Obligation" means, for the purposes of the definitions of "Subordination" and "Senior Obligation", an obligation of the Reference Entity which is being compared to such Senior Obligation.

"Subordination" means, with respect to a Subordinated Obligation Senior Obligation, a contractual, trust or other similar arrangement providing that (a) upon the liquidation, dissolution, reorganisation or winding up of the Reference Entity, claims of the holders of the Senior Obligation will be satisfied prior to the claims of the holders of the Subordinated Obligation or (b) the holders of the Subordinated Obligation will not be entitled to receive or retain payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the Senior Obligation. **"Subordinated"** will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign.

"Substitute Reference Obligation" means one or more obligations of the Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in relation to a Reference Entity, as provider of any Qualifying Guarantee) that will

replace one or more Reference Obligations, identified by the Calculation Agent in accordance with the following procedures:

- (a) In the event that:
 - (i) a Reference Obligation is redeemed in whole; or
 - (ii) in the opinion of the Calculation Agent:
 - (A) the aggregate amounts due under any Reference Obligation have been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortisation or prepayments);
 - (B) any Reference Obligation is an Underlying Obligation with a Qualifying Guarantee of a Reference Entity and, other than due to the existence or occurrence of a Credit Event, the Qualifying Guarantee is no longer a valid and binding obligation of such Reference Entity enforceable in accordance with its terms, or
 - (C) for any other reason, other than due to the existence or occurrence of a Credit Event, any Reference Obligation is no longer an obligation of a Reference Entity, the Calculation Agent shall identify one or more Obligations to replace such Reference Obligation.
- (b) Any Substitute Reference Obligation or Substitute Reference Obligations shall be an Obligation that:
 - (i) ranks pari passu (or, if no such Obligation exists, then, at the Swap Counterparty's option, an Obligation that ranks senior) in priority of payment with the ranking in priority of payment of each of the Substitute Reference Obligations and such Reference Obligation (with the ranking in priority of payment of such Reference Obligation being determined as of the date on which such Reference Obligation was issued or incurred and not reflecting any change to such ranking in priority of payment after such later date);
 - (ii) preserves the economic equivalent, as closely as practicable as determined by the Calculation Agent, of the delivery and payment obligations of the parties to the relevant credit default swap transaction comprised within the Credit Default Swap Agreement; and
 - (iii) is an obligation of the relevant Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in relation to a Reference Entity, as provider of a Qualifying Guarantee). The Substitute Reference Obligation or Substitute Reference Obligations identified by the Calculation Agent shall, without further action, replace such Reference Obligation or Reference Obligations.
- (c) If more than one specific Reference Obligation is identified as a Reference Obligation, any of the events set forth under (a) above has occurred with respect to one or more but not all of the Reference Obligations, and the Calculation Agent determines that no Substitute Reference Obligation is available for one or more of such Reference Obligations, each Reference Obligation for which no Substitute Reference Obligation is available shall cease to be a Reference Obligation.
- (d) If more than one specific Reference Obligation is identified as a Reference Obligation, any of the events set forth under (a) above has occurred with respect to all of the Reference Obligations, and the Calculation Agent determines that at least one Substitute

Reference Obligation is available for any such Reference Obligation, then each such Reference Obligation shall be replaced by a Substitute Reference Obligation and each Reference Obligation for which no Substitute Reference Obligation is available will cease to be a Reference Obligation.

- (e) If:
 - (i) more than one specific Reference Obligation is identified as a Reference Obligation in relation to the Credit Linked Securities, any of the events set forth under (a) above has occurred with respect to all of the Reference Obligations, and the Calculation Agent determines that no Substitute Reference Obligation is available for any of the Reference Obligations; or
 - (ii) only one specific Reference Obligation is identified as a Reference Obligation, any of the events set forth under (a) above has occurred with respect to such Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for that Reference Obligation, then the Calculation Agent shall continue to attempt to identify a Substitute Reference Obligation until the Extension Date.
- (f) For the purposes of identification of a Reference Obligation, any change in the Reference Obligation's CUSIP or ISIN number or other similar identifier will not, in and of itself, convert such Reference Obligation into a different Obligation.

"**succeed**" for the purposes of the provisions relating to the determination of Successor and the definitions of "Successor" and "Succession Event" means, with respect to a Reference Entity and its Relevant Obligations (or, as applicable, obligations), that a party other than such Reference Entity (i) assumes or becomes liable for such Relevant Obligations (or, as applicable, obligations) whether by operation of law or pursuant to any agreement or (ii) issues Bonds that are exchanged for Relevant Obligations (or, as applicable, obligations), and in either case such Reference Entity is no longer an obligor (primarily or secondarily) or guarantor with respect to such Relevant Obligations (or, as applicable, obligations). The determinations required pursuant to sub-paragraph (a) of the definition of "Successor" shall be made, in the case of an exchange offer, on the basis of the Outstanding Principal Balance of Relevant Obligations tendered and accepted in the exchange and not on the basis of the Outstanding Principal Balance of Bonds for which Relevant Obligations have been exchanged.

"**Succession Event**" means:

- (a) with respect to a Reference Entity that is not a Sovereign, an event such as a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event in which one entity succeeds to the obligations of another entity, whether by operation of law or pursuant to any agreement; or
- (b) with respect to a Reference Entity that is a Sovereign, an event such as an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other event that results in any direct or indirect successor(s) to such Reference Entity.

Notwithstanding the foregoing, "Succession Event" shall not include an event:

- (i) in which the holders of obligations of the Reference Entity exchange such obligations for the obligations of another entity, unless such exchange occurs in connection with a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event; or
- (ii) with respect to which the legally effective date (or, in the case of a Reference Entity that is a Sovereign, the date of occurrence) has occurred prior to the Succession Event Backstop

Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)).

"Succession Event Backstop Date" means:

- (a) for purposes of any event that constitutes a Succession Event in relation to the Reference Entity, as determined by DC Resolution, the date that is 90 calendar days prior to the Succession Event Resolution Request Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)); or
- (b) otherwise, the date that is 90 calendar days prior to the earlier of:
 - (i) the date on which the Swap Counterparty determines that a Succession Event has occurred; and
 - (ii) the Succession Event Resolution Request Date, if:
 - (A) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in sub-paragraphs (a) and (b) of the definition of "Succession Event Resolution Request Date" are satisfied in accordance with the Rules;
 - (B) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters; and
 - (C) the Swap Counterparty determines, not more than fifteen Credit Security Business Days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, that a Succession Event has occurred.

The Succession Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention unless the parties specify in the Final Terms that the Succession Event Backstop Date will be adjusted in accordance with a specified Business Day Convention.

"Succession Event Resolution Request Date" means, with respect to a notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to Resolve:

- (a) whether an event that constitutes a Succession Event has occurred with respect to the relevant Reference Entity; and
- (b) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred:
 - (i) with respect to a Reference Entity that is not a Sovereign, the legally effective date of such event; or
 - (ii) with respect to a Reference Entity that is a Sovereign, the date of the occurrence of such event,

the date, as publicly announced by ISDA, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

"Successor" means in relation to any Reference Entity, each Successor that ISDA has publicly announced, including prior to the Trade Date, that the relevant Credit Derivatives Determinations

Committee has Resolved is a Successor to the original Reference Entity pursuant to a Succession Event that occurred on or following the Succession Event Backstop Date in accordance with the Rules; or if no Successor has been identified by a Credit Derivatives Determinations Committee:

- (a) in relation to a Reference Entity that is not a Sovereign, the entity or entities, if any, determined as set out below:
 - (i) if one entity directly or indirectly succeeds to 75 per cent. or more of the Relevant Obligations of the Reference Entity by way of a Succession Event, that entity will be the sole Successor in respect of the relevant Reference Entity;
 - (ii) if only one entity directly or indirectly succeeds to more than 25 per cent. (but less than 75 per cent.) of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than 25 per cent. of the Relevant Obligations will be the sole Successor in respect of the relevant Reference Entity;
 - (iii) if more than one entity each directly or indirectly succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than 25 per cent. of the Relevant Obligations will each be a Successor;
 - (iv) if one or more entities each directly or indirectly succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, and more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor;
 - (v) if one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor; and
 - (vi) if one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations (or, if two or more entities succeed to an equal percentage of Relevant Obligations, the entity from among those entities which succeeds to the greatest percentage of obligations of the Reference Entity) will be the sole Successor;
- (b) in relation to a Sovereign Reference Entity, any direct or indirect successor(s) to that Reference Entity irrespective of whether such successor(s) assumes any of the obligations of such Reference Entity.

In the case of (a) above, the Calculation Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than 14 calendar days after the legally effective date of the relevant Succession Event), and with effect from the legally effective date of the Succession Event, whether the relevant thresholds set out in (a)(i) to (vi) (inclusive) above have been met, or which entity qualifies under (a)(vi) above, as applicable, the Calculation Agent shall use with respect to each applicable Relevant Obligation included in such calculation, the amount of the liability with respect to such Relevant Obligation listed in the Best Available Information and shall notify the Issuer, the Holders of Securities and

the Swap Counterparty of such calculation, provided that the Calculation Agent will not make such determination if, at such time, either:

- (A) ISDA has publicly announced that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in sub-paragraph (a) above and sub-paragraphs (a) and (b) of the definition of "Succession Event Resolution Request Date" are satisfied in accordance with the Rules (until such time, if any, as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine a Successor); or
- (B) ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that no event that constitutes a Succession Event for purposes of any Hedge Transaction has occurred.

"Supranational Organisation" means any entity or organisation established by treaty or other arrangement between two or more Sovereigns or the Sovereign Agencies of two or more Sovereigns, and includes, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and the European Bank for Reconstruction and Development.

"Surviving Reference Entity" has the meaning given to such term in Credit Linked Condition (6)(B)(ii) above.

"Trade Date" means the date specified as such in the applicable Final Terms.

"Transaction Auction Settlement Terms" means, in respect of any Reference Entity and a related Credit Event, the Credit Derivatives Auction Settlement Terms published by ISDA in respect of such Credit Event and in respect of which the Notional Credit Derivative Transaction would be an Auction Covered Transaction.

"Transaction Type" means, unless otherwise specified in the Final Terms, each "Transaction Type" specified as such in the Physical Settlement Matrix from time to time.

"Transferable" means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following shall be considered contractual, statutory or regulatory restrictions:

- (a) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the United States Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation); or
- (b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds,

and, if specified as applicable to a Deliverable Obligation Category, the Transferable Deliverable Obligation Characteristic shall be applicable only in respect of obligations within that Deliverable Obligation Category that are not Loans.

"Undeliverable Obligation" means a Deliverable Obligation included in the Notice of Physical Settlement which, on the Settlement Date for such Deliverable Obligation, the Calculation Agent determines for any reason (including without limitation, failure by the Holder of Securities to deliver an Asset Transfer Notice, failure of the relevant clearance system or due to any law, regulation, court order or market conditions or the non-receipt of any requisite consents with respect to the Delivery of Loans) it is impossible or illegal to Deliver on the Settlement Date.

"Undeliverable Valuation Date" means the date that is five Credit Security Business Days after the Latest Permissible Physical Settlement Date or, as applicable, the Extended Physical Settlement Date.

"Underlying Finance Instrument" means where the LPN Issuer provides finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument.

"Underlying Loan" means where the LPN Issuer provides a loan to the Reference Entity.

"Underlying Obligation" means an obligation in respect of which the Reference Entity has agreed to pay all the amounts due thereunder.

"Underlying Obligor" means, the party which is the actual obligor of an Underlying Obligation.

"Unwind Costs" means the cost to the Swap Counterparty and/or the Repo Counterparty of terminating (in the case of the Swap Counterparty) any Hedge Transaction entered into in connection with interest rate or other derivative transactions evidenced by or comprised in the Swap Agreement and (in the case of the Repo Counterparty) any transaction entered into to fund its obligations under the Repurchase Agreement in whole or part, as determined by the Swap Counterparty in its sole discretion, subject to a minimum of zero.

"Valuation Date" means:

- (a) any Credit Security Business Day falling between the 55th and the 122nd Credit Security Business Day following the Event Determination Date, as selected by the Calculation Agent in its sole discretion, or, following any Auction Cancellation Date or No Auction Announcement Date, such later Credit Security Business Day, as selected by the Calculation Agent in its sole and absolute discretion; or
- (b) if "Cash Settlement" is applicable as a Fallback Settlement Method, any Credit Security Business Day falling between the 55th and the 122nd Credit Security Business Day following the Event Determination Date, as selected by the Calculation Agent in its sole discretion or, following any Auction Cancellation Date or No Auction Announcement Date, such later Credit Security Business Day, as selected by the Calculation Agent in its sole and absolute discretion; or
- (c) if Partial Cash Settlement applies, the date which is up to fifteen Credit Security Business Days after the Latest Permissible Physical Settlement Date or, as applicable the Extended Physical Settlement Date (as selected by the Calculation Agent in its sole and absolute discretion).

"Valuation Obligation" means, in respect of a Reference Entity, notwithstanding anything to the contrary in the Credit Linked Conditions, one or more obligations of such Reference Entity (either directly or as provider of a Qualifying Guarantee or, as the case may be, Qualifying Affiliate Guarantee), which would constitute a "Deliverable Obligation" if Physical Settlement were the applicable Settlement Method as selected by the Swap Counterparty in its sole and absolute discretion on the applicable Valuation Date, provided that, for such purpose:

- (a) any reference to the words "Delivery Date" in the definitions of "Conditionally Transferable Obligation", "Deliverable Obligation", within any of the terms comprising "Deliverable Obligation Category" or "Deliverable Obligation Characteristic" and "Due and Payable Amount" shall be deemed to be a reference to the words "Relevant Valuation Date";
- (b) the deletion of the words "being Delivered" in the definition of "Deliverable Obligation"; and

- (c) the deletion of the whole of the second paragraph within the definition of "Not Contingent" and replacing it with the following:

"If an Obligation is a Convertible Obligation or an Exchangeable Obligation, then such Obligation may only be included in the Valuation Obligations Portfolio if the rights referred to in clauses (i) and (ii) above have not been exercised (or such exercise has been effectively rescinded) on or before the Relevant Valuation Date."

For the avoidance of doubt, the use of Deliverable Obligation terms in the definition of "Valuation Obligation" is for convenience only and is not intended to amend the selected settlement method.

"Valuation Obligations Portfolio" means one or more Valuation Obligations of a Reference Entity selected by the Calculation Agent in its discretion, each in an Outstanding Principal Balance selected by the Calculation Agent in its sole and absolute discretion provided that the aggregate of such Outstanding Principal Balances (or in each case the equivalent in the Specified Currency thereof (converted at the foreign exchange rate prevailing on any date from (and including) the Event Determination Date to (and including) the Valuation Date, as selected by the Calculation Agent in its sole and absolute discretion), shall not exceed the relevant Reference Entity Notional Amount.

"Valuation Time" means the time specified in relation to a Reference Entity or, if no time is so specified, 11.00 a.m. in the principal trading market for the relevant Valuation Obligation or Undeliverable Obligation, as the case may be.

"Voting Shares" shall mean those shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

"Weighted Average Final Price" means the weighted average of the Final Prices determined for each selected Valuation Obligation in the Valuation Obligations Portfolio, weighted by the Currency Amount of each such Valuation Obligation (or its equivalent in the Settlement Currency, converted by the Calculation Agent, in a commercially reasonable manner, by reference to exchange rates in effect at the time of such determination).

"Weighted Average Quotation" means, in accordance with the bid quotations provided by the Credit Security Dealers, the weighted average of firm quotations obtained from the Credit Security Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Reference Obligation, Deliverable Obligation or Undeliverable Obligation, as the case may be, with an Outstanding Principal Balance of as large a size as available but less than the Quotation Amount (in the case of Deliverable Obligations only, but of a size equal to the Minimum Quotation Amount or, if quotations of a size equal to the Minimum Quotation Amount are not available, quotations as near in size as practicable to the Minimum Quotation Amount) that in the aggregate are approximately equal to the Quotation Amount.

ANNEX TO THE ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED SECURITIES

DESCRIPTION OF AUCTION SETTLEMENT TERMS

The following description is applicable to certain Credit Linked Securities to which "Annex 9 Additional Terms and Conditions for Credit Linked Securities" are applicable.

If an Event Determination Date occurs with respect to the Securities and Auction Settlement applies, the redemption amount payable with respect to the Securities may be calculated based on the Auction Final Price for the Reference Entity (if any). This description contains a summary of certain provisions of the Form of Credit Derivatives Auction Settlement Terms set forth at Annex B to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions, published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") on 12 March 2009 (the "**Form of Auction Settlement Terms**") and is qualified by reference to the detailed provisions thereof and is subject to amendment from time to time in accordance with the Rules, including any amendment following the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement dated 14 July 2009, as published by ISDA (the "**July 2009 Supplement**"). The July 2009 Supplement extended the auction hardwiring process to Restructuring credit events. Following a Restructuring credit event, more than one auction may be held and there may be more than one Auction Final Price and credit default swaps are grouped into buckets by maturity and depending on which party triggers the credit default swap. Deliverable obligations will be identified for each bucket (any deliverable obligations included in a shorter bucket will also be deliverable for all longer buckets). If the Credit Derivatives Determinations Committee determines to hold an auction for a particular bucket, then that auction will be held according to the existing auction methodology that has previously been used for Bankruptcy and Failure to Pay credit events as described in the summary below, except that the deliverable obligations will be limited to those falling within the relevant maturity bucket.

The following does not purport to be a complete summary and prospective investors must refer to the Form of Auction Settlement Terms for detailed information regarding the auction methodology set forth therein (the "**Auction Methodology**"). The Auction and the Auction Methodology apply to credit default swaps on the Reference Entity and do not apply specifically to the Securities. A copy of the Form of Auction Settlement Terms may be inspected at the offices of the Issuer and is as at the date of this Base Prospectus available at www.isda.org.

Holders of Securities should also be aware that this summary of the Form of Auction Settlement Terms is accurate only as of the date hereof and the Form of Auction Settlement Terms may be amended from time to time without consultation with Holders of Securities. At any time after the date hereof, the latest Form of Auction Settlement Terms will be available on the ISDA website at www.isda.org (or any successor website thereto). Further, notwithstanding the fact that the Form of Auction Settlement Terms (as may be amended from time to time) appears on the ISDA website, Holders of Securities should note that the Credit Derivatives Determinations Committees have the power to amend the form of Credit Derivatives Auction Settlement Terms for a particular auction and that this summary may therefore not be accurate in all cases.

Capitalized terms used but not defined in this summary have the meaning specified in the Rules and the Form of Auction Settlement Terms. All times of day in this summary refer to such times in London.

Publication of Credit Derivatives Auction Settlement Terms

Pursuant to the Credit Derivatives Determinations Committees Rules set forth in Annex A to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions (published on 12 March 2009) (the "**Rules**"), a Credit Derivatives Determinations Committee may determine that a Credit Event has occurred in respect of a Reference Entity (such entity, an "**Affected Reference Entity**") and that one or more auctions will be held in order to settle affected transactions referencing such Affected Reference Entity based upon an Auction Final Price

determined in accordance with an auction procedure as set forth in the Form of Auction Settlement Terms (each, an "**Auction**"). If an Auction is to be held, the Credit Derivatives Determinations Committee will publish Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity, based upon the Form of Auction Settlement Terms. In doing so, the Credit Derivatives Determinations Committee will make several related determinations, including the date on which the Auction will be held (the "**Auction Date**"), the institutions that will act as participating bidders in the Auction (the "**Participating Bidders**") and the supplemental terms that are detailed in Schedule 1 to the Form of Auction Settlement Terms. The Credit Derivatives Determinations Committee may also amend the Form of Auction Settlement Terms for a particular auction and may determine that a public comment period is necessary in order to effect such an amendment if such amendment is not contemplated by the Rules.

Auction Methodology

Determining the Auction Currency Rate

On the Auction Currency Fixing Date, the Administrators will determine the rate of conversion (each, an "**Auction Currency Rate**") as between the Relevant Currency and the currency of denomination of each Deliverable Obligation (each, a "**Relevant Pairing**") by reference to a Currency Rate Source or, if such Currency Rate Source is unavailable, by seeking mid-market rates of conversion from Participating Bidders (determined by each such Participating Bidder in a commercially reasonable manner) for each such Relevant Pairing. If rates of conversion are sought from Participating Bidders and more than three such rates are obtained by the Administrators, the Auction Currency Rate will be the arithmetic mean of such rates, without regard to the rates having the highest and lowest values. If exactly three rates are obtained, the Auction Currency Rate will be the rate remaining after disregarding the rates having the highest and lowest values. For this purpose, if more than one rate has the same highest or lowest value, then one of such rates shall be disregarded. If fewer than three rates are obtained, it will be deemed that the Auction Currency Rate cannot be determined for such Relevant Pairing.

Initial Bidding Period

During the Initial Bidding Period, Participating Bidders will submit to the Administrators: (a) Initial Market Bids; (b) Initial Market Offers; (c) Dealer Physical Settlement Requests; and (d) Customer Physical Settlement Requests (to the extent received from customers).

Initial Market Bids and Initial Market Offers are firm quotations, expressed as percentages, to enter into credit derivative transactions in respect of the Affected Reference Entity on terms equivalent to the Representative Auction-Settled Transaction.

The Initial Market Bid and Initial Market Offer submitted by each Participating Bidder must differ by no more than the designated Maximum Initial Market Bid-Offer Spread and must be an integral multiple of the Relevant Pricing Increment (each as determined by the Credit Derivatives Determinations Committees and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity). The Initial Market Bid must be less than the Initial Market Offer.

Dealer Physical Settlement Requests and Customer Physical Settlement Requests are firm commitments, submitted by a Participating Bidder, on its own behalf or on behalf of a customer, as applicable, to enter into a Representative Auction-Settled Transaction, in each case, as buyer of credit protection (in which case, such commitment will be a "**Physical Settlement Buy Request**") or as seller of credit protection (in which case, such commitment will be a "**Physical Settlement Sell Request**"). Each Dealer Physical Settlement Request must be, to the best of such Participating Bidder's knowledge and belief, in the same direction as, and not in excess of, its Market Position. Each Customer Physical Settlement Request must be, to the best of the relevant customer's knowledge and belief (aggregated with all Customer Physical Settlement Requests submitted by such customer), in the same direction as, and not in excess of, its Market Position.

If the Administrators do not receive valid Initial Market Bids and Initial Market Offers from at least a minimum number of Participating Bidders (as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity), the timeline will be adjusted and the Initial Bidding Period extended, with the Auction recommencing at such time(s) specified by the Administrators, otherwise it will proceed as follows.

Determination of Open Interest, Initial Market Midpoint and Adjustment Amounts

The Administrators will calculate the Open Interest, the Initial Market Midpoint and any Adjustment Amounts in respect of the Auction.

The Open Interest is the difference between all Physical Settlement Sell Requests and all Physical Settlement Buy Requests.

To determine the Initial Market Midpoint, the Administrators will: (a) sort the Initial Market Bids in descending order and the Initial Market Offers in ascending order, identifying non-tradeable markets for which bids are lower than offers; (b) sort non-tradeable markets in terms of tightness of spread between Initial Market Bid and Initial Market Offer; and (c) identify that half of the non-tradeable markets with the tightest spreads. The Initial Market Midpoint is determined as the arithmetic mean of the Initial Market Bids and Initial Market Offers contained in the half of non-tradeable markets with the tightest spreads.

Any Participating Bidder whose Initial Market Bid or Initial Market Offer forms part of a tradeable market will be required to make a payment to ISDA on the third Business Day after the Auction Final Price Determination Date (an "**Adjustment Amount**"), calculated in accordance with the Auction Methodology. Any payments of Adjustment Amounts shall be used by ISDA to defray any costs related to any auction that ISDA has coordinated, or that ISDA will in the future coordinate, for purposes of settlement of credit derivative transactions.

If for any reason no single Initial Market Midpoint can be determined, the procedure set out above may be repeated.

At or prior to the Initial Bidding Information Publication Time on any day on which the Initial Bidding Period has successfully concluded, the Administrators publish the Open Interest, the Initial Market Midpoint and the details of any Adjustment Amounts in respect of the Auction.

If the Open Interest is zero, the Auction Final Price will be the Initial Market Midpoint.

Submission of Limit Order Submissions

In the event that the Open Interest does not equal zero, a subsequent bidding period will be commenced during the Initial Bidding Period which: (a) if the Open Interest is an offer to sell Deliverable Obligations, Participating Bidders submit Limit Bids; or (b) if the Open Interest is a bid to purchase Deliverable Obligations, Limit Offers, in each case, on behalf of customers and for their own account.

Matching bids and offers

If the Open Interest is a bid to purchase Deliverable Obligations, the Administrators will match the Open Interest against all Initial Market Offers and Limit Offers, as further described in the Auction Methodology. If the Open Interest is an offer to sell Deliverable Obligations, the Administrators will match the Open Interest against all Initial Market Bids and Limit Bids, as further described in the Auction Methodology.

Auction Final Price when the Open Interest is Filled

The Auction Final Price will be the price associated with the matched Initial Market Bids and Limit Bids or Initial Market Offers and Limit Offers, as applicable, that is the highest offer or the lowest bid, as applicable, provided that: (a) if the Open Interest is an offer to sell and the price associated with the lowest

matched bid exceeds the Initial Market Midpoint by more than the "**Cap Amount**" (being the percentage that is equal to one half of the Maximum Initial Bid-Offer Spread (rounded to the nearest Relevant Pricing Increment)), then the Auction Final Price will be the Initial Market Midpoint plus the Cap Amount; and (b) if the Open Interest is a bid to purchase and the Initial Market Midpoint exceeds the price associated with the highest offer by more than the Cap Amount, then the Auction Final Price will be the Initial Market Midpoint minus the Cap Amount.

Auction Final Price when the Open Interest is Not Filled

If, once all the Initial Market Bids and Limit Bids or Initial Market Offers and Limit Offers, as applicable, have been matched to the Open Interest, part of the Open Interest remains, the Auction Final Price will be: (a) if the Open Interest is a bid to purchase Deliverable Obligations, the greater of (i) zero, and (ii) the highest Limit Offer or Initial Market Offer received; or (b) if the Open Interest is an offer to sell Deliverable Obligations, zero.

100 per cent. Cap to Auction Final Price

In all cases, if the Auction Final Price determined pursuant to the Auction Methodology is greater than 100 per cent., then the Auction Final Price will be deemed to be 100 per cent.

Publication of Auction Final Price

At or prior to the Subsequent Bidding Information Publication Time on any day on which the subsequent bidding period has successfully concluded, the Administrators will publish on their websites: (a) the Auction Final Price; (b) the names of the Participating Bidders who submitted bids, offers, valid Dealer Physical Settlement Requests and valid Customer Physical Settlement Requests, together with the details of all such bids and offers submitted by each; and (c) the details and size of all matched trades.

Execution of Trades Formed in the Auction

Each Participating Bidder whose Limit Bid or Initial Market Bid (or Limit Offer or Initial Market Offer if applicable) is matched against the Open Interest, and each Participating Bidder that submitted a Customer Physical Settlement Request or Dealer Physical Settlement Request, is deemed to have entered into a Representative Auction-Settled Transaction, and each customer that submitted such a Limit Bid, Limit Offer, or Physical Settlement Request is deemed to have entered into a Representative Auction-Settled Transaction with the dealer through whom the customer submitted such bid or offer. Accordingly, each such Participating Bidder or customer that is a seller of Deliverable Obligations pursuant to a trade formed in the auction must deliver to the buyer to whom such Participating Bidder or customer has been matched a Notice of Physical Settlement indicating the Deliverable Obligations that it will deliver, and such Deliverable Obligations will be sold to the buyer in exchange for payment of the Auction Final Price.

Timing of Auction Settlement Provisions

If an Auction is held in respect of an Affected Reference Entity, it is expected that the relevant Auction Date will occur on the third Business Day immediately prior to the 30th calendar day after which the relevant Credit Derivatives Determinations Committee received the request from an eligible market participant (endorsed by a member of the relevant Credit Derivatives Determinations Committee) to resolve whether a Credit Event has occurred with respect to such Reference Entity.

In respect of an Affected Reference Entity for which an Auction is held, the Auction Settlement Date will occur on a Business Day following the Auction Final Price Determination Date, as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity. By way of example, in recent ISDA CDS Auction Protocols (prior to the publication of the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions) this has been approximately five Business Days following the relevant Auction Final Price Determination Date.

The settlement date of the Securities will occur on the third Business Day following the Auction Settlement Date.

ANNEX 10

ADDITIONAL TERMS AND CONDITIONS FOR ETI LINKED SECURITIES

The terms and conditions applicable to ETI Linked Securities shall comprise, in the case of Notes, the Terms and Conditions of the Notes (as set out under the heading "Terms and Conditions of the Notes" above and, for the avoidance of doubt, not including Annexes 1 to 10), in the case of Warrants, the Terms and Conditions of the Warrants (as set out under the heading "Terms and Conditions of the Warrants" above and, for the avoidance of doubt, not including Annexes 1 to 8 or 10) and, in the case of Certificates, the Terms and Conditions of the Certificates (as set out under the heading "Terms and Conditions of the Certificates" above and, for the avoidance of doubt, not including Annexes 1 to 10), as applicable (the "Conditions") and the additional Terms and Conditions set out below (the "ETI Linked Conditions") and any other additional Terms and Conditions that may be specified in the applicable Final Terms (the "Additional Terms and Conditions"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Conditions and the ETI Linked Conditions and/or the Additional Terms and Conditions, the ETI Linked Conditions and/or the Additional ETI Linked Conditions (as applicable) shall prevail. In the event of any inconsistency between (i) the Conditions and/or the ETI Linked Conditions and/or the Additional Terms and Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1. Definitions

"Additional Extraordinary ETI Event" means any event specified as such in the applicable Final Terms.

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

"Averaging Date" means each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (a) if "Omission" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision no Averaging Date would occur, then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant level, price or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
- (b) if "Postponement" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
- (c) if "Modified Postponement" is specified as applying in the applicable Final Terms then:
 - (i) where the Securities are ETI Linked Securities relating to a single ETI Interest, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another

Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether such Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a)(ii) of the definition of "Valuation Date" below;

- (ii) where the Securities are ETI Linked Securities relating to an ETI Basket, the Averaging Date for each ETI Interest not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the "**Scheduled Averaging Date**") and the Averaging Date for each ETI Interest affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such ETI Interest. If the first succeeding Valid Date in relation to such ETI Interest has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) that such Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date) in respect of such ETI Interest, and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (b)(ii) of the definition of "Valuation Date" below; and
- (iii) for the purposes of these ETI Linked Conditions, "**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not occur.

"**Basket Trigger Event**" means that an Extraordinary ETI Event occurs in respect of one or more ETI Interests or the related ETI comprising the ETI Basket which has or, in the event that an Extraordinary ETI Event has occurred in respect of more than one ETI, together have, a Weighting in the ETI Basket equal to or greater than the Basket Trigger Level.

"**Basket Trigger Level**" has the meaning given to it in the applicable Final Terms or if not so specified, 50 per cent.

"**Calculation Date**" means each day(s) specified in the applicable Final Terms, or if not so specified, each day which is an Exchange Business Day.

"**Clearance System**" means the applicable domestic clearance system customarily used for settling trades in the relevant ETI Interest.

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

"**Disrupted Day**" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"**Dividend Event**" means that with reference to the later of (i) the two financial years prior to the Trade Date, and (ii) the two financial years prior to the relevant observation date, the ETI has implemented a material change to its practice with respect to the payment of dividends.

"**Early Closure**" means the closure on any Exchange Business Day of the relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour

prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

"ETI" means (a) any exchange traded fund, (b) the issuer of (i) an exchanged trade note, (ii) an exchange traded commodity or (iii) any other exchange traded product or (c) any other exchange traded entity specified as an ETI in the applicable Final Terms.

"ETI Basket" means, where the ETI Linked Securities are linked to the performance of ETI Interests of more than one ETI, a basket comprising such ETI Interests.

"ETI Documents" means, unless specified otherwise in the applicable Final Terms, with respect to any ETI Interest, the offering document of the relevant ETI in effect on the Hedging Date specifying, among other matters, the terms and conditions relating to such ETI Interests and, for the avoidance of doubt, any other documents or agreements in respect of the ETI, as may be further described in any ETI Document.

"ETI Interest(s)" means (a) in respect of an exchange traded fund, an ownership interest issued to or held by an investor in such ETI, (b) in respect of an exchange traded note or an exchange traded commodity, a unit or note, as the case may be, issued by such ETI, or (c) in respect of any other exchange traded product, any other interest specified as an ETI Interest in the applicable Final Terms.

"ETI Interest Correction Period" means (a) the period specified in the applicable Final Terms, or (b) if none is so specified, one Settlement Cycle.

"ETI Related Party" means, in respect of any ETI, any person who is appointed to provide services (howsoever described in any ETI Documents), directly or indirectly, in respect of such ETI, whether or not specified in the ETI Documents, including any advisor, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent, sponsor or general partner and any other person specified as such in the applicable Final Terms and, in the case of an exchange traded note or exchange traded commodity, the calculation agent.

"Exchange" means in relation to an ETI Interest, each exchange or quotation system specified as such for the relevant ETI in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the ETI Interest has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such ETI Interest on such temporary substitute exchange or quotation system as on the original Exchange).

"Exchange Business Day" means either (i) in the case of a single ETI Interest, Exchange Business Day (Single ETI Interest Basis) or (ii) in the case of an ETI Basket, Exchange Business Day (All ETI Interests Basis) or Exchange Business Day (Per ETI Interest Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per ETI Interest Basis) shall apply.

"Exchange Business Day (All ETI Interests Basis)" means, in respect of an ETI Basket, any Scheduled Trading Day on which each Exchange and each Related Exchange, if any, are open for trading in respect of all ETI Interests comprised in the ETI Basket during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time.

"Exchange Business Day (Per ETI Interest Basis)" means, in respect of an ETI Interest, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, in respect of such ETI Interest are open for trading during their respective regular trading

session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time.

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

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

"Extraordinary ETI Event Effective Date" means, in respect of an Extraordinary ETI Event, the date on which such Extraordinary ETI Event occurs, or has occurred, as determined by the Calculation Agent in its sole and absolute discretion.

"Final Calculation Date" means the date specified as such in the applicable Final Terms.

"Hedging Date" has the meaning given to it in the applicable Final Terms.

"Hedge Provider" means the party (being, *inter alia*, the Issuer, the Guarantor (if applicable), the Swap Counterparty, the Calculation Agent, an Affiliate or any third party) from time to time who hedges the Issuer's obligations in respect of the Securities and/or the Swap Counterparty's obligations in respect of the Swap Agreement or where no such party actually hedges such obligations, a Hypothetical Investor, who shall be deemed to enter into transactions as if hedging such obligations. The Hedge Provider will hold or be deemed to hold such number of ETI Interests, or enter or be deemed to enter into any agreement to purchase or deliver, or pay an amount linked to the performance of, such number of ETI Interests as it (or in the case of a Hypothetical Investor, the Calculation Agent) considers would be held by a prudent issuer as a hedge for its exposure under the relevant Securities.

"Hedging Shares" means the number of ETI Interests that the Issuer or Swap Counterparty (and/or any of its Affiliates) deems necessary to hedge the equity or other price risk of entering into and performing the Issuer's obligations with respect to the Securities and/or the Swap Counterparty's obligations with respect to the Swap Agreement.

"Hypothetical Investor" means a hypothetical investor in ETI Interests which is deemed to have the benefits and obligations, as provided in the relevant ETI Documents, of an investor holding the relevant number of ETI Interests at the relevant time (as determined by the Calculation Agent in the context of the relevant situation). The Hypothetical Investor may be deemed by the Calculation Agent to be resident or organised in any jurisdiction, and to be, without limitation, the Issuer, the Guarantor (if applicable), the Swap Counterparty, the Calculation Agent or any of their Affiliates (as determined by the Calculation Agent in the context of the relevant situation).

"Implied Embedded Option Value" means, in respect of a day, an amount, which may never be less than zero, equal to the present value as at such day of any future payments under the Securities determined by the Calculation Agent in its sole and absolute discretion taking into account, without limitation, such factors as interest rates, the net proceeds achievable from the sale of any ETI Interests by the Hedge Provider, the volatility of the ETI Interests and transaction costs.

"Implied Embedded Option Value Determination Date" means the date determined by the Calculation Agent to be the first date on which it is possible to determine the Implied Embedded Option Value following the occurrence of an Extraordinary ETI Event.

"Initial Calculation Date" means the date specified as such in the applicable Final Terms, or if not so specified, the Hedging Date.

"Investment/AUM Level" has the meaning given to it in the applicable Final Terms, or if not so specified, EUR50,000,000 or the equivalent in any other currency.

"Loss of Stock Borrow" means that the Swap Counterparty and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any ETI Interest in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

"Maximum Stock Loan Rate" means, in respect of an ETI Interest, the Maximum Stock Loan Rate specified in the applicable Final Terms.

"Merger Event" means, in respect of any relevant Interests and Entity, any (i) reclassification or change of such ETI Interests that results in a transfer of or an irrevocable commitment to transfer all of such ETI Interests outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share/unit/interest exchange of an ETI with or into another entity or person (other than a consolidation, amalgamation, merger or binding share/unit/interest exchange in which such ETI is the continuing entity and which does not result in a reclassification or change of all of such ETI Interests outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding ETI Interests of an ETI that results in a transfer of or an irrevocable commitment to transfer all such ETI Interests (other than such ETI Interests owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share/unit/interest exchange of an ETI or its subsidiaries with or into another entity in which the ETI is the continuing entity and which does not result in a reclassification or change of all such ETI Interests outstanding but results in the outstanding ETI Interests (other than ETI Interests owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding ETI Interests immediately following such event, in each case if the relevant Extraordinary ETI Event Effective Date is on or before (a) in the case of Cash Settled Securities, the last occurring Valuation Date or (b) in the case of Physical Delivery Securities, the Maturity Date (in the case of Notes), the Redemption Date (in the case of Certificates) or the Expiry Date (in the case of Warrants), as applicable. For the purposes of this definition only, **"Interests"** shall mean the applicable ETI Interests or the shares of any applicable ETI Related Party, as the context may require, and **"Entity"** shall mean the applicable ETI or any applicable ETI Related Party, as the context may require.

"Non-Principal Protected Termination Amount" means, in respect of each nominal amount of Notes or notional amount of Certificates equal to the Calculation Amount, an amount determined as the sum of:

- (i) the Implied Embedded Option Value on the Implied Embedded Option Value Determination Date; and
- (ii) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms, the Simple Interest.

"Number of Value Publication Days" means the number of calendar days specified in the applicable Final Terms, being the maximum number of days after the due date for publication or reporting of the Value per ETI Interest after which the ETI Related Party or any entity fulfilling such role, howsoever described in the ETI Documents, or any other party acting on behalf of the ETI, may remedy any failure to publish or report the Value per ETI Interest before the Calculation Agent may determine that an Extraordinary ETI Event has occurred.

"Principal Protected Termination Amount" means, in respect of each nominal amount of Notes or notional amount of Certificates equal to the Calculation Amount, an amount determined as the sum of:

- (i) if Delayed Redemption on the Occurrence of an Extraordinary Fund Event is specified as being applicable in the relevant Final Terms, the Protected Amount as specified in such Final Terms, otherwise the present value of the Protected Amount as determined by the Calculation Agent as of the Termination Date;
- (ii) the Implied Embedded Option Value; and
- (iii) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms, the Simple Interest.

"Protected Amount" means the amount specified as such in the applicable Final Terms.

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

"Scheduled Trading Day" means either (i) in the case of a single ETI and in relation to an ETI Interest, Scheduled Trading Day (Single ETI Interest Basis) or (ii) in the case of an ETI Basket, Scheduled Trading Day (All ETI Interests Basis) or Scheduled Trading Day (Per ETI Interest Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per ETI Interest Basis) shall apply.

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

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

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

"Settlement Cycle" means in respect of an ETI Interest, the period of Clearance System Days following a trade in the ETI Interest on the Exchange in which settlement will customarily occur according to the rules of such Exchange.

"Settlement Price" means, unless otherwise stated in the applicable Final Terms and subject to the provisions of these ETI Linked Conditions and as referred to in "Valuation Date" or "Averaging Date", as the case may be:

- (a) in the case of ETI Linked Securities relating to an ETI Basket and in respect of each ETI Interest comprising the ETI Basket, an amount equal to (x) if the applicable Final Terms specify that the Settlement Price is to be the official closing price, the official closing price

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

- (b) in the case of ETI Linked Securities relating to a single ETI Interest, an amount equal to (x) if the applicable Final Terms specify that the Settlement Price is to be the official closing price, the official closing price (or the price at the Valuation Time on the Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date (or if, in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the Valuation Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the ETI Interest based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions or applicable brokers (as selected by the Calculation Agent) engaged in the trading of such ETI Interest (or on such other factors as the Calculation Agent shall decide), or (y) if the applicable Final Terms specify that the Settlement Price is to be the Value per ETI Interest, the Value per ETI Interest on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, in each case, such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange

Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent.

"Simple Interest" means an amount calculated by the Calculation Agent equal to the amount of interest that would accrue on the Termination Amount during the period from (and including) the Implied Embedded Option Value Determination Date to (and including) the Final Calculation Date calculated on the basis that such interest were payable by the Floating Rate Payer under an interest rate swap transaction incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. under which:

- (A) the "Effective Date" is the Implied Embedded Option Value Determination Date;
- (B) the "Termination Date" is the Termination Date;
- (C) the "Floating Rate Payer Payment Date" is the Termination Date;
- (D) the "Floating Rate Option" is EUR-EURIBOR-Reuters (if the Settlement Currency is EUR) or USD-LIBOR-BBA (if the Settlement Currency is USD);
- (E) the "Designated Maturity" is 3 months;
- (F) the "Simple Interest Spread" is as specified in the applicable Final Terms, or if not so specified minus 0.125 per cent.;
- (G) the "Floating Rate Day Count Fraction" is Actual/360;
- (H) the "Reset Date" is the Implied Embedded Option Value Determination Date and each date falling three calendar months after the previous Reset Date; and
- (I) "Compounding" is "Inapplicable".

"Specified Maximum Days of Disruption" means eight (8) Scheduled Trading Days, or such other number of Specified Maximum Days of Disruption specified in the applicable Final Terms.

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

"Termination Amount" means the amount specified in the applicable Final Terms or if not so specified, (x) in the case of Notes and Certificates, the (i) Principal Protected Termination Amount or (ii) Non-Principal Protected Termination Amount as specified in the applicable Final Terms or (y) in the case of Warrants, an amount equal to the Implied Embedded Option Value less the Exercise Price (if any).

"Termination Date" means (i) in the case of Warrants the date determined by the Calculation Agent and specified in the notice to be given to Warrantholders in accordance with ETI Linked Condition 6.2(d), (ii) in the case of Notes (a) if Delayed Redemption on the Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms, the Maturity Date or (b) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being not applicable in the applicable Final Terms, the Termination Date specified as such in the notice to be given to Noteholders in accordance with ETI Linked Condition 6.2(d) or (iii) in the case of Certificates (a) if Delayed Redemption on the Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms, the Redemption Date or

(b) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being not applicable in the applicable Final Terms, the Termination Date specified as such in the notice to be given to Certificateholders in accordance with ETI Linked Condition 6.2(d).

"Trade Date" has the meaning given to it in the applicable Final Terms.

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

"Valuation Date" means, in the case of Notes and Certificates, the Interest Valuation Date and/or Redemption Valuation Date, as the case may be, specified in the applicable Final Terms or, in the case of Warrants, the date (or, as the case may be, the last date) specified as such in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (a) in the case of ETI Linked Securities relating to a single ETI Interest, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the Settlement Price in accordance with its good faith estimate of the Settlement Price as of the Valuation Time on that the last such consecutive Scheduled Trading Day; or
- (b) in the case of ETI Linked Securities relating to an ETI Basket, the Valuation Date for each ETI Interest not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each ETI Interest affected (each an **"Affected Item"**) by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Price using, in relation to the Affected Item, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using its good faith estimate of the value for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day and otherwise in accordance with the above provisions.

"Valuation Time" means in the case of an ETI and in relation to an ETI Interest either (i) the close of trading on the Exchange or (ii) as otherwise specified in the applicable Final Terms.

"Value per ETI Interest" means, with respect to the relevant ETI Interest(s) and the Scheduled Trading Day relating to such ETI Interests, (i) if the relevant ETI Documents refer to an official net asset value per ETI Interest (howsoever described), such official net asset value per ETI Interest, otherwise (ii) the official closing price or value per ETI Interest, as of the relevant calculation date, as reported on such Scheduled Trading Day by the ETI or an ETI Related Party, the relevant

Exchange or publishing service (which may include the website of an ETI), all as determined by the Calculation Agent;

"Value per ETI Interest Trading Price Barrier" means the percentage specified in the applicable Final Terms, or if not so specified, 5 per cent.;

"Value per ETI Interest Trading Price Differential" means the percentage by which the Value per ETI Interest differs from the actual trading price of the ETI Interest as of the time the Value per ETI Interest is calculated;

"Value per ETI Interest Trigger Event" means, in respect of any ETI Interest(s), that (i) the Value per ETI Interest has decreased by an amount equal to, or greater than, the Value Trigger Percentage(s) at any time during the related Value Trigger Period, or (ii) the ETI has violated any leverage restriction that is applicable to, or affecting, such ETI or its assets by operation of (w) any law, (x) any order or judgement of any court or other agency of government applicable to it or any of its assets, (y) the ETI Documents or (z) any other contractual restriction binding on or affecting the ETI or any of its assets;

"Value Trigger Percentage" means the percentage specified in the applicable Final Terms or, if not so specified, 50 per cent.;

"Value Trigger Period" means the period specified in the applicable Final Terms, or if not so specified the period from and including the Initial Calculation Date to and including the Final Calculation Date.

2. **Market Disruption**

"Market Disruption Event" means, in relation to Securities relating to a single ETI Interest or an ETI Basket, in respect of an ETI Interest the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been an Averaging Date or a Valuation Date or on any Knock-in Determination Day or Knock-out Determination Day, as the case may be.

3. **Potential Adjustment Events**

"Potential Adjustment Event" means any of the following:

- (a) an extraordinary dividend as determined by the Calculation Agent;
- (b) a repurchase or exercise of any call option by any ETI of relevant ETI Interests whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
- (c) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant ETI Interests.

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

Following the declaration by the relevant ETI or ETI Related Party, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the ETI Interests and, if so, will (i) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these ETI Linked Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant ETI Interest) and (ii) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the ETI Interest traded on that options exchange.

Upon the making of any such adjustment, the Calculation Agent shall give notice as soon as reasonably practicable to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these ETI Linked Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

Notwithstanding any other provision of this ETI Linked Condition 3, in making any such adjustment the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Potential Adjustment Event.

4. **Extraordinary ETI Events**

Subject to the provisions of ETI Linked Condition 5, "**Extraordinary ETI Event**" means the occurrence or continuance at any time on or after the Trade Date of any of the following events as determined by the Calculation Agent:

Global Events:

- 4.1 the ETI or any ETI Related Party (i) ceases trading and/or, in the case of an ETI Related Party, ceases administration, portfolio management, investment services, custodian, prime brokerage, or any other relevant business (as applicable); (ii) is dissolved or has a resolution passed, or there is any proposal, for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv) (1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in sub-clause (iv) (1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not immediately dismissed, discharged, stayed or restrained; (v) seeks or becomes

subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not immediately dismissed, discharged, stayed or restrained; or (vii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an effect analogous to any of the events specified in sub-clauses (i) to (vi) above; or

- 4.2 the occurrence of a Merger Event or Tender Offer;

Litigation/Fraudulent Activity Events:

- 4.3 there exists any litigation against the ETI or an ETI Related Party which in the sole and absolute discretion of the Calculation Agent could materially affect the value of the ETI Interests or on the rights or remedies of any investor therein; or
- 4.4 (i) an allegation of criminal or fraudulent activity is made in respect of the ETI, or any ETI Related Party, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred, or (ii) any investigative, judicial, administrative or other civil or criminal proceedings is commenced or is threatened against the ETI, any ETI Related Party or any key personnel of such entities if such allegation, determination, suspicion or proceedings could, in the sole and absolute discretion of the Calculation Agent, materially affect the value of the ETI Interests or the rights or remedies of any investor in such ETI Interests;

Change in ETI Related Parties/Key Persons Events:

- 4.5 (i) an ETI Related Party ceases to act in such capacity in relation to the ETI (including by way of Merger Event or Tender Offer) and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent; and/or (ii) any event occurs which causes, or will with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the ETI and/or any ETI Related Party to meet or maintain any obligation or undertaking under the ETI Documents which failure is reasonably likely to have an adverse impact on the value of the ETI Interests or on the rights or remedies of any investor therein;

Modification Events:

- 4.6 a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the ETI (howsoever described, including the underlying type of assets in which the ETI invests), from those set out in the ETI Documents, or any announcement regarding a potential modification or deviation, except where such modification or deviation is of a formal, minor or technical nature;
- 4.7 a material modification, cancellation or disappearance (howsoever described), or any announcement regarding a potential future material modification, cancellation or disappearance (howsoever described), of the type of assets (i) in which the ETI invests, (ii) the ETI purports to track, or (iii) the ETI accepts/provides for purposes of creation/redemption baskets;
- 4.8 a material modification, or any announcement regarding a potential future material modification, of the ETI (including but not limited to a material modification of the ETI Documents or to the ETI's liquidity terms) other than a modification or event which does not affect the ETI Interests or any portfolio of assets to which the ETI Interest relates (either alone or in common with other ETI Interests issued by the ETI);

- 4.9 the currency denomination of the ETI Interest is amended from that set out in the ETI Documents so that the Value per ETI Interest is no longer calculated in the same currency as it was as at the Trade Date; or
- 4.10 if applicable, the ETI ceases to be an undertaking for collective investments under the legislation of its relevant jurisdiction;

Net Asset Value/Investment/AUM Level Events:

- 4.11 a material modification of the method of calculating the Value per ETI Interest;
- 4.12 any change in the periodicity of the calculation or the publication of the Value per ETI Interest;
- 4.13 any of the ETI, any ETI Related Parties or any other party acting on behalf of the ETI fails for any reason to calculate and publish the Value per ETI Interest within the Number of Value Publication Days following any date scheduled for the determination of the valuation of the ETI Interests unless the cause of such failure to publish is of a technical nature and outside the immediate and direct control of the entity responsible for such publication;
- 4.14 the assets under management of, or total investment in, the ETI falls below the Investment/AUM Level;
- 4.15 a Value per ETI Interest Trigger Event occurs;
- 4.16 failure by the ETI or any ETI Related Party to publish (i) the Value per ETI Interest at the end of each Scheduled Trading Day as a result of any action or inaction by the ETI or any ETI Related Party, or (ii) where the relevant ETI Documents provide for the publication of an indicative Value per ETI Interest, such indicative Value per ETI Interest is published no less frequently than once every five (5) minutes during regular trading hours on the Exchange on each Scheduled Trading Day; or
- 4.17 (i) the Value per ETI Interest Trading Price Differential breaches the Value per ETI Interest Trading Price Barrier, and (ii) such breach has an adverse impact on any hedging activities in relation to the Securities;

Tax/Law/Accounting/Regulatory Events:

- 4.18 there is a change in or in the official interpretation or administration of any laws or regulations relating to taxation that has or is likely to have a material adverse effect on any hedging arrangements entered into by any Hedge Provider in respect of the Securities (a "**Tax Event**") and, subject as provided below, the Hedge Provider has, for a period of one calendar month following the day the relevant Tax Event became known to it, used reasonable efforts to mitigate the material adverse effect of the Tax Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in it sustaining a loss or expense of any kind and the period set out above for such mitigation shall be deemed satisfied on any date it is or becomes apparent at any time that there is no practicable means of mitigating the Tax Event; or
- 4.19 (i) any relevant activities of or in relation to the ETI or the ETI Related Parties are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the ETI by any

governmental, legal or regulatory entity with authority over the ETI), (ii) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the ETI or the ETI Related Parties or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (iii) the ETI is required by a competent authority to redeem any ETI Interests, (iv) the Hedge Provider is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any ETI Interests held in connection with any hedging arrangements relating to the Securities and/or (v) any change in the legal, tax, accounting or regulatory treatment of the ETI or any ETI Related Party that is reasonably likely to have an adverse impact on the value of the ETI Interests or other activities or undertakings of the ETI or on the rights or remedies of any investor therein, including any Hedge Provider;

Hedging/Impracticality/Increased Costs Events:

- 4.20 in connection with any hedging activities in relation to the Securities, as a result of any adoption of, or any change in, any law, order, regulation, decree or notice, howsoever described, after the Trade Date, or issuance of any directive or promulgation of, or any change in the interpretation, whether formal or informal, by any court, tribunal, regulatory authority or similar administrative or judicial body of any law, order, regulation, decree or notice, howsoever described, after such date or as a result of any other relevant event (each a "**Relevant Event**") (i) it would become unlawful or impractical for the Hedge Provider to hold (including, without limitation, circumstances requiring the Hedge Provider to modify any reserve, special deposit, or similar requirement or that would adversely affect the amount of regulatory capital that would have to be maintained in respect of any holding of ETI Interests or that would subject a holder of the ETI Interests or the Hedge Provider) to any loss) purchase or sell the relevant ETI Interests or any underlying assets of or related to the ETI or for the Hedge Provider to maintain its hedging arrangements and (ii) subject as provided below, the Hedge Provider has, for a period of one calendar week following the day the Relevant Event became known to it, used reasonable efforts to mitigate the effect of the Relevant Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in it or any of its Affiliates sustaining a loss or expense of any kind and the period of one calendar week set out above shall be deemed satisfied on any date it is or becomes at any time apparent that there is no practicable means of mitigating the Relevant Event;
- 4.21 in connection with the hedging activities in relation to the Securities, if the cost to the Hedge Provider in relation to the Securities and the related hedging arrangements (including, but not limited to, new or increased taxes, duties, expenses or fees) would be materially increased or the Hedge Provider would be subject to a material loss relating to the Securities and the related hedging arrangements;
- 4.22 in connection with the hedging activities in relation to the Securities, the Hedge Provider is unable or it becomes impractical for the Hedge Provider, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset or any futures or option contracts on the relevant Exchange it deems necessary to hedge the equity, commodity or other underlying ETI Interest asset price risk or any other relevant price risk, including but not limited to the Issuer's obligations under the Securities or (ii) to realise, recover or remit the proceeds of any such transaction, asset, or futures or option contract or any relevant hedge positions relating to an ETI Interest of the ETI; or
- 4.23 at any time on or after the Trade Date, the Issuer or Swap Counterparty (and/or any of its Affiliates) would incur an increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, capital and/or funding costs, expense or fee (other than brokerage commissions) to maintain the Securities;

Miscellaneous Events:

- 4.24 in the case of Securities linked to an ETI Basket, a Basket Trigger Event occurs;
- 4.25 the long-term unsecured, unsubordinated and unguaranteed debt rating assigned to any ETI Related Party or any parent company (howsoever described) of the ETI, by Moody's Investors Service Limited, or any successor to the ratings business thereof ("**Moody's**"), and/or Standard and Poor's Credit Market Services Europe Limited, or any successor to the ratings business thereof ("**S&P**"), is downgraded below A (S&P) or A2 (Moody's) and/or the short-term unsecured, unsubordinated and unguaranteed debt rating assigned to any ETI Related Party by Moody's or S&P is downgraded below A-1 (S&P) or P-1 (Moody's);
- 4.26 the occurrence of a Loss of Stock Borrow;
- 4.27 the occurrence of an Additional Extraordinary ETI Event;
- 4.28 if the ETI Documents provide for the payment of dividends, the occurrence of a Dividend Event; or
- 4.29 the relevant Exchange announces that pursuant to the rules of such Exchange, the relevant ETI Interests cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason and are not immediately re-listed, re-traded or re-quoted on (i) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or otherwise (ii) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a Member State of the European Union).

5. Determination of Extraordinary ETI Events

The Calculation Agent will determine if an Extraordinary ETI Event has occurred acting in good faith and in a commercially reasonable manner. Where the occurrence of an event or set of circumstances is capable of triggering more than one Extraordinary ETI Event, the Calculation Agent shall determine which Extraordinary ETI Event is to be triggered in accordance with any equivalent determination made in respect of the relevant Swap Agreement.

In considering whether the occurrence of an event or set of circumstances triggers an Extraordinary ETI Event, the Calculation Agent may have regard to the combined effect, from the Trade Date, of any event or set of circumstances, as the case may be, if such event or set of circumstances occurs more than once.

6. **Consequences of an Extraordinary ETI Event**

- 6.1 If the Calculation Agent determines that an Extraordinary ETI Event has occurred, the Calculation Agent may, on or prior to the date on which such Extraordinary ETI Event is no longer continuing give notice (an "**Extraordinary ETI Event Notice**") to the Holders of Security in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, (which notice shall be irrevocable), of the occurrence of such Extraordinary ETI Event (the date on which an Extraordinary ETI Event Notice is given, an "**Extraordinary ETI Event Notification Date**") and set out, if determined at that time, the action that it has determined to take in respect of an Extraordinary ETI Event pursuant to ETI Linked Condition 6.2. Where the action that the Calculation Agent has determined to take is not, for whatever reason, set out in the Extraordinary ETI Event Notice, the action that the Calculation Agent has determined to take shall be set out in a subsequent notice given to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, as soon as reasonably practicable after the Extraordinary ETI Event Notification Date.

For such purposes, an Extraordinary ETI Event shall be considered to be "continuing" if it has not been remedied to the reasonable satisfaction of the Calculation Agent.

The Calculation Agent shall provide Holders of Securities with an Extraordinary ETI Event Notice as soon as reasonably practicable following the determination of an Extraordinary ETI Event. However, neither the Issuer nor the Calculation Agent shall be responsible for any loss, underperformance or opportunity cost suffered or incurred by any Holder of Securities or any other person in connection with the Securities as a result of any delay, howsoever arising. If the Calculation Agent gives an Extraordinary ETI Event Notice, the Issuer shall have no obligation to make any payment or delivery in respect of the Securities until the Calculation Agent has determined the action that the Issuer is to take pursuant to ETI Linked Condition 6.2 below.

- 6.2 Following the occurrence of an Extraordinary ETI Event, the Calculation Agent shall (i) to the extent that the an equivalent adjustment or substitution or determination to take no action, as the case may be, has been made in respect of the relevant Swap Agreement, take the action described in (a), (b) or (c) below or (ii) in the event that the circumstances giving rise to such Extraordinary ETI Event result in an Additional Termination Event occurring in respect of the relevant Swap Agreement, take the action set out in (d) below:

(a) No Action

If the Calculation Agent, in its sole and absolute discretion, determines that the action to be taken in respect of the Extraordinary ETI Event is to be "No Action", then the Securities shall continue and there shall be no amendment to the terms and conditions and/or the applicable Final Terms.

(b) Adjustment

If the Calculation Agent, in its sole and absolute discretion, determines that the action to be taken in respect of the Extraordinary ETI Event is to be "Adjustment", then it may:

- (i) determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these ETI Linked Conditions and/or the applicable Final Terms to account for the relevant Extraordinary ETI Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the ETI Interests or to the Securities and a change in

the Weighting of any remaining ETI Interest(s) not affected by an Extraordinary ETI Event. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary ETI Event made by any options exchange to options on the ETI Interests traded on that options exchange; or

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

provided that the Calculation Agent shall, to the extent applicable, determine whether to take the action described in ETI Linked Condition 6.2(b)(i) or (ii) on the basis of any similar or equivalent determination made in respect of the relevant Swap Agreement.

(c) Substitution

If the Calculation Agent, in its sole and absolute discretion, determines that the action to be taken in respect of the Extraordinary ETI Event is to be "Substitution", the Calculation Agent shall on or after the relevant Extraordinary ETI Event Effective Date, substitute each ETI Interest (each, an "**Affected ETI Interest**") of each ETI (each, an "**Affected ETI**") which is affected by such Extraordinary ETI Event with an ETI Interest selected by it in accordance with the criteria for ETI Interest selection set out below (each, a "**Substitute ETI Interest**") and the Substitute ETI Interest will be deemed to be an "ETI Interest" and the relevant issuer of such Substitute ETI Interest, an "ETI" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these ETI Linked Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected ETI Interest, the Initial Price of each Substitute ETI Interest will be determined by the Calculation Agent in accordance with the following formula:

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

where:

"A" is the Settlement Price of the relevant Substitute ETI Interest on the relevant Exchange on the Substitution Date;

"B" is the Initial Price of the relevant Affected ETI Interest; and

"C" is the Settlement Price of the relevant Affected ETI Interest on the relevant Exchange on the Substitution Date.

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

The Weighting of each Substitute ETI Interest will be equal to the Weighting of the relevant Affected ETI Interest.

In order to be selected as a Substitute ETI Interest, the relevant share/unit/interest must satisfy the following criteria, as determined by the Calculation Agent in its sole and absolute discretion:

- (i) where the relevant Extraordinary ETI Event is a Merger Event or a Tender Offer (a) in the case of ETI Linked Securities related to a single ETI, and (b) in the case of ETI Linked Securities related to an ETI Basket, the relevant share/unit/interest shall be an ordinary share/unit/interest of the entity or person that in the case of a Merger Event is the continuing entity in respect of the Merger Event or in the case of a Tender Offer is the entity making the Tender Offer provided that (i) the relevant share/unit/interest is not already included in the ETI Basket and (ii) it is or as of the relevant Extraordinary ETI Event Effective Date is promptly scheduled to be, (x) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any Member State of the European Union) and (y) not subject to any currency exchange controls, trading restrictions or other trading limitations; or
- (ii) (a) where the relevant Extraordinary ETI Event is a Merger Event or a Tender Offer and a share/unit/interest would otherwise satisfy the criteria set out in paragraph (i) above, but such share/unit/interest is (in the case of ETI Linked Securities related to an ETI Basket), already included in the ETI Basket, or (b) where the Extraordinary ETI Event is not a Merger Event or a Tender Offer, an alternative exchange traded instrument which, in the determination of the Calculation Agent, has similar characteristics to the relevant ETI, including but not limited to, a comparable listing (which, for the avoidance of doubt, shall not be restricted to a listing on the exchange or quotation system in the same geographic region, investment objectives, investment restrictions and investment processes, underlying asset pools and whose related parties (such as, but not limited to, trustee, general partner, sponsor, advisor, manager, operating company, custodian, prime broker and depository) are acceptable to the Calculation Agent.

(d) Termination

If the Calculation Agent determines that the action to be taken in respect of the Extraordinary ETI Event is to be "Termination", on giving notice to Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable, (which such notice may be included in the Extraordinary ETI Event Notice in respect of the relevant Extraordinary ETI Event and will specify the applicable Termination Date), all but not some only of the outstanding ETI

Linked Securities shall be redeemed (in the case of Notes and Certificates) or cancelled (in the case of Warrants) by payment to the Holders of Securities of the Termination Amount on, or as soon as reasonably practicable thereafter, the Termination Date. Payments will be made in such manner as shall be notified to the Holders of Securities in accordance with Condition 18 of the Notes, Condition 17 of the Warrants or Condition 19 of the Certificates, as applicable.

(e) General

Notwithstanding any other provision of this ETI Linked Condition 6, in exercising its discretion in respect of ETI Linked Condition 6.2 above, the Calculation Agent shall, to the extent applicable to the relevant Securities, take into account any corresponding or similar determination or selection or any other adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Extraordinary ETI Event.

In determining to take a particular action as a result of an Extraordinary ETI Event, the Calculation Agent is under no duty to consider the interests of any Holders of Securities or any other person. In making any determination as to which action to take following the occurrence of an Extraordinary ETI Event, neither the Issuer nor the Calculation Agent shall be responsible for any loss (including any liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders of Securities or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

7. Correction of ETI Interest Price

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

8. Knock-in Event and Knock-out Event

- 8.1 If "Knock-in Event" is specified as applicable in the applicable Final Terms, then, unless otherwise specified in such Final Terms, any payment and/or delivery, as applicable, under the relevant Securities which is expressed in the applicable Final Terms to be subject to a Knock-in Event, shall be conditional upon the occurrence of such Knock-in Event.
- 8.2 If "Knock-out Event" is specified as applicable in the applicable Final Terms, then, unless otherwise specified in such Final Terms, any payment and/or delivery, as applicable under the relevant Securities which is expressed in the applicable Final Terms to be subject to a Knock-out Event, shall be conditional upon the non-occurrence of such Knock-out Event.
- 8.3 If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if on any Knock-in Determination Day or Knock-out Determination Day at any time during the one hour period that begins or ends at the Valuation Time the price of the ETI Interest triggers the Knock-in Price or the Knock-out Price, a Trading Disruption, Exchange Disruption or Early Closure occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred, provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the

Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the price of the ETI Interest as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date".

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

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

Unless otherwise specified in the applicable Final Terms:

"Knock-in Determination Day" means the date(s) specified as such in the applicable Final Terms, or each Scheduled Trading Day during the Knock-in Determination Period;

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

"Knock-in Event" means:

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

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

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

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

"Knock-in Price" means, (i) in case of a single ETI, the price per ETI Interest or (ii) in the case of an ETI Basket comprised of ETI Interests in one or more ETIs, the price, in each case specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in ETI Linked Condition 2;

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

"Knock-out Determination Day" means the date(s) specified as such in the applicable Final Terms, or each Scheduled Trading Day during the Knock-out Determination Period;

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

"Knock-out Event" means:

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

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

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

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

"Knock-out Price" means, (i) in the case of a single ETI Interest, the price per ETI Interest or (ii) in the case of an ETI Basket, the price, in each case specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in ETI Linked Condition 2; and

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

9. **Automatic Early Redemption Event**

ETI Linked Condition 9 applies to Notes and Certificates only.

If "Automatic Early Redemption Event" is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes or Certificates (as applicable)

will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Early Redemption Amount payable by the Issuer on such date upon redemption of each nominal amount of Notes or notional amount of Certificates (as applicable) equal to the Calculation Amount shall be an amount equal to the relevant Automatic Early Redemption Amount.

Definitions relating to Automatic Early Redemption

Unless otherwise specified in the applicable Final Terms:

"Automatic Early Redemption Amount" means (a) an amount in the Settlement Currency specified in the applicable Final Terms or if such amount is not specified, (b) the product of (i) the Calculation Amount and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

"Automatic Early Redemption Date" means each date specified as such in the applicable Final Terms, or if such date is not a Business Day, the immediately succeeding Business Day, provided that no additional amount shall be payable to Noteholders as a result of such delay.

"Automatic Early Redemption Event" means that (a) in the case of a single ETI Interest, the ETI Price or (b) in the case of an ETI Basket, the Basket Price is, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Automatic Early Redemption Price as specified in the applicable Final Terms.

"Automatic Early Redemption Price" means the price per ETI Interest specified as such or otherwise determined in the applicable Final Terms.

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

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

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

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

10. **Calculations and Determinations**

The Calculation Agent and/or the Issuer, as applicable, will make the calculations and determinations as described in the ETI Linked Conditions in such a manner as the Calculation Agent and/or the Issuer, as the case may be, determines to be appropriate acting in good faith and in a commercially reasonable manner having regard in each case to the criteria stipulated in the ETI Linked Conditions, the hedging arrangements in respect of the Securities and the nature of the relevant ETI and related ETI Interests.

USE OF PROCEEDS

The net proceeds of each Series of Securities will be used to acquire the assets which will comprise the Charged Assets, to make payment under any agreement (including, without limitation, any Related Agreement) and/or to make payment to the counterparty to any Swap Agreement and/or to a bank or other entity pursuant to any Deposit Agreement and/or to the counterparty to any Repurchase Agreement in connection with any such Securities and/or to pay fees and expenses in connection with the administration of the Issuer and/or such Securities. If, in respect of any Series of Securities, there is a particular identified use of proceeds, in addition to or other than the foregoing, this will be stated in the applicable Final Terms.

FORM OF GUARANTEE

Terms defined in the Terms and Conditions of the Notes, the Terms and Conditions of the Warrants or the Terms and Conditions of the Certificates (as the case may be), as amended and/or supplemented by the applicable Final Terms (the "**Conditions**"), and not otherwise defined in this Guarantee, shall have the same meanings when used in this section.

The Guarantor may agree to guarantee the obligations of the Issuer under a Series of Securities that are specified as being guaranteed notes, guaranteed warrants or guaranteed certificates (as the case may be) in the applicable Final Terms ("**Guaranteed Notes**", "**Guaranteed Warrants**" or "**Guaranteed Certificates**", as the case may be, and together the "**Guaranteed Securities**"). Unless otherwise stated in the applicable Final Terms, the form of the guarantee shall be as set out below.

The Guaranteed Securities may be issued pursuant to a Supplemental Trust Deed between, *inter alia*, the Issuer and BNP Paribas Trust Corporation UK Limited as trustee (the "**Trustee**"). The relevant Supplemental Trust Deed and Guarantee shall each be governed by and construed in accordance with English law.

The form of the Guarantee where BNPP is the Guarantor will be as follows, unless stated otherwise in the applicable Final Terms:

"**THIS GUARANTEE** is made by way of deed on [insert date] by BNP Paribas (the "**Guarantor**") in favour of the Trustee for itself and for the benefit for the time being of the holders of the Securities (as defined below) (each a "**Holder**").

WHEREAS:

The Guarantor has agreed to guarantee the obligations of the Issuer under the Securities (the "**Guaranteed Securities**") on the terms of this Guarantee.

Terms defined in the Terms and Conditions of [insert name of the Securities] (the "**Securities**"), as amended and/or supplemented by the applicable Final Terms (the "**Conditions**"), and not otherwise defined in this Guarantee, shall have the same meanings when used in this Guarantee.

NOW THIS DEED WITNESSES as follows:

1. **GUARANTEE**

Subject as provided below, the Guarantor irrevocably guarantees to the Trustee for itself and for the benefit of the holders for the time being of the Guaranteed Securities (each a "**Holder**") that, if for any reason the Issuer does not pay any sum payable by it or perform any other obligation in respect of any Guaranteed Security on the date specified for such payment or performance (the "**Guaranteed Obligations**"), the Guarantor will, in accordance with the applicable Terms and Conditions of the Guaranteed Securities (the "**Conditions**"), pay that sum in the currency in which such payment is due in immediately available funds or, as the case may be, perform or procure the performance of the relevant obligation. In case of the failure of the Issuer to satisfy such obligations as and when the same become due, the Guarantor hereby undertakes to make or cause to be made such payment or satisfy or cause to be satisfied such obligations as though the Guarantor were the principal obligor in respect of such obligation after a demand has been made on the Guarantor pursuant to clause 8 hereof and provided that the Guarantor shall not be obliged to make any payment under this Guarantee until the Charged Assets have been realised or liquidated in full in the manner set out in Condition 12 of the Guaranteed Notes, Condition 13 of the Guaranteed Warrants or Condition 14 of the Guaranteed Certificates, as the case may be.

The Guaranteed Obligations are, for the avoidance of doubt, limited to the same extent as such sum or obligation due by the Issuer is itself limited (i) by the provisions of the Securitisation Act 2004 and (ii) the applicable Conditions, including, without limitation, (1) those Conditions relating to the applicable redemption amount or termination amount (which amount may be limited to the liquidation proceeds of the Charged Assets of the Compartment relating to such Security) and (2) those Conditions relating to Compartments, limited recourse, non-petition, subordination and priority of payments in respect of the relevant Guaranteed Security.

2. SUBROGATION OF THE GUARANTOR

The Guarantor will be fully and automatically subrogated to all rights of the holders of the Guaranteed Securities and the Trustee to payments of the Guaranteed Obligations, and to any rights appurtenant thereto, to the fullest extent permitted by applicable law to the extent of such payment in respect of amounts due in respect of the Securities which have been paid by the Guarantor under this Guarantee; provided that the Guarantor shall not without the consent of the Trustee be entitled to enforce or to receive any payments arising out of or based upon or prove in any insolvency or winding up of the Issuer in respect of such right of subrogation until such time as all Guaranteed Obligations due under this Guarantee have been paid in full.

3. THE GUARANTOR AS PRINCIPAL OBLIGOR

As between the Guarantor and the Trustee but without affecting the Issuer's obligations, the Guarantor will be liable under this Guarantee as if it were the sole principal obligor and not merely a surety provided that (i) the Issuer has failed to satisfy its obligations as and when they become due, (ii) the Charged Assets have been realised or liquidated in full in the manner set out in Condition 12 of the Guaranteed Notes, Condition 13 of the Guaranteed Warrants, or Condition 14 of the Guaranteed Certificates, as the case may be, and (iii) a demand has been made on the Guarantor pursuant to clause 8 hereof. Accordingly, it will not be discharged, nor will its liability be affected, by anything which would not discharge it or affect its liability if it were the sole principal obligor (including (1) any time, indulgence, waiver or consent at any time given to the Issuer or any other person, (2) any amendment to any of the Conditions or to any security or other guarantee or indemnity, (3) the release of any such security, guarantee or indemnity or (4) the dissolution, amalgamation, reconstruction or reorganisation of the Issuer or any other person).

4. THE GUARANTOR'S OBLIGATIONS CONTINUING

The Guarantor's obligations under this Guarantee are and will remain in full force and effect by way of continuing security until no sum remains payable and no other obligation remains to be performed under any Guaranteed Security (including if the relevant Security is a Warrant, where such Warrant remains subject to exercise). Furthermore, those obligations of the Guarantor are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from the Guarantor or otherwise.

5. DISCHARGE BY THE ISSUER

If any payment received by, or other obligation discharged to or to the order of, the holder of any Guaranteed Security is, on the subsequent bankruptcy or insolvency of the Issuer, avoided under any laws relating to bankruptcy or insolvency, such payment or obligation will not be considered as having discharged or diminished the liability of the Guarantor and this Guarantee will continue to apply as if such payment or obligation had at all times remained owing due by the Issuer.

6. INDEMNITY

As a separate and alternative stipulation, the Guarantor unconditionally and irrevocably agrees that any sum or obligation which, although expressed to be payable or deliverable under the Guaranteed Securities, is for any reason (whether or not now existing and whether or not now known or becoming known to the Issuer, the Guarantor or the Trustee) not recoverable from the

Guarantor on the basis of a guarantee will nevertheless be recoverable from the Guarantor as if it were the sole principal obligor and will be paid or performed by it in favour of the Trustee (for itself and as trustee for the Holders) on demand by the Trustee provided that (i) the Issuer has failed to satisfy its obligations as and when they become due, (ii) the Charged Assets have been realised or liquidated in full in the manner set out in Condition 12 of the Guaranteed Notes, Condition 13 of the Guaranteed Warrants or Condition 14 of the Guaranteed Certificates, as the case may be, and (iii) a demand has been made on the Guarantor pursuant to clause 8 hereof and that in no circumstances shall the Guarantor be obliged to pay an amount under this Guarantee which is greater than the amount payable by the Issuer in respect of the Guaranteed Obligations, such Guaranteed Obligations being, for the avoidance of doubt, limited to the same extent as such sum or obligation due by the Issuer is itself limited by (1) the provisions of the Securitisation Act 2004 and (2) the applicable Conditions, including, without limitation, (a) those Conditions relating to the applicable redemption amount or termination amount (which amount may be limited to the liquidation proceeds of the Charged Assets of the Compartment relating to such Security) and (b) those Conditions relating to Compartments, limited recourse, non-petition, subordination and priority of payments in respect of the relevant Guaranteed Security. Accordingly, the Guarantor will not be discharged, nor will its liability be affected, by anything which would not discharge it or affect its liability if it were the sole principal obligor (including (1) any time, indulgence, waiver or consent at any time given to the Issuer or any other person, (2) any amendment to any of the Conditions or to any security or other guarantee or indemnity, (3) the release of any such security, guarantee or indemnity or (4) the dissolution, amalgamation, reconstruction or reorganisation of the Issuer or any other person).

7. **INCORPORATION OF TERMS**

The Guarantor agrees that it shall comply with and be bound by those provisions contained in the Conditions which relate to it.

8. **DEMAND ON THE GUARANTOR**

Any demand hereunder shall be given in writing addressed to the Guarantor served at its office at Legal CIB, 3 rue Taitbout, 75009 Paris, France. A demand so made shall be deemed to have been duly made five Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made five Paris Business Days after the Paris Business Day immediately following such day.

9. **DEPOSIT OF GUARANTEE**

This Guarantee shall be deposited with and held by the Trustee for the benefit of itself and the Holders.

10. **GOVERNING LAW**

This Guarantee and any non-contractual obligations arising out of or in connection herewith shall be governed by and construed in accordance with English law.

11. **JURISDICTION**

This clause is for the benefit of the Trustee only. Subject as provided below, the courts of England shall have exclusive jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith and accordingly the Guarantor submits to the exclusive jurisdiction of the English courts to hear all suits, actions or proceedings (together hereinafter termed the "**Proceedings**") relating to any such dispute. The Guarantor waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate

The Guarantor agrees that service of process in England may be made on it at its London branch. Nothing in this Guarantee shall affect the right to serve process in any other manner permitted by law.

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Guarantee, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

Executed and delivered as a Deed

Address:

DESCRIPTION OF THE ISSUER

Information relating to the Issuer

General

The Issuer was incorporated in the Grand Duchy of Luxembourg as a public limited liability company (*société anonyme*) with unlimited duration on 23 January 2009 under the name SecurAsset S.A. ("**SecurAsset**") and is registered with the Luxembourg trade and companies register under number B 144385. The Issuer was established as a regulated securitisation undertaking under the Securitisation Act 2004 in order to offer securities in accordance with the provisions of such act and is authorised and supervised by the CSSF.

The Issuer is a company incorporated with limited liability (*société anonyme*) under the laws of the Grand Duchy of Luxembourg as a securitisation company (*société de titrisation*) within the meaning of, and governed by, the law of 22 March 2004 on securitisation, as amended (the "**Securitisation Act 2004**"), having its registered office at 2-8 avenue Charles de Gaulle, L-1653, Luxembourg. The telephone number of the Issuer is +352 27 00 12 200 and the fax number of the Issuer is +352 27 00 12 205.

The share capital of the Issuer is EUR 31,000 divided into 3,100 shares in registered form (the "**Issuer Shares**"), all of which are fully paid. Each Issuer Share is entitled to one vote. All the shares in the Issuer are held by Stichting AssetSecur, a foundation duly incorporated under the laws of The Netherlands, having its registered office at Naritaweg 165 Telestone 8, 1043BW Amsterdam, The Netherlands and registered with the trade register of the Chamber of Commerce in Amsterdam under number 34322925. The Issuer is managed by the Board. The directors comprising the Board are appointed by the shareholder of the Issuer. The Issuer has no subsidiaries.

Corporate Purpose

Pursuant to Article 4 of its Articles of Association, the Issuer has as its business purpose to enter into, perform and serve as a vehicle for, any transactions permitted under the Securitisation Act 2004. The Issuer may issue securities of any nature and in any currency and, to the fullest extent permitted by the Securitisation Act 2004, pledge, mortgage or charge or otherwise create security interests in and over its assets, property and rights to secure its obligations. The Issuer may enter into any agreement and perform any action necessary or useful for the purpose of carrying out transactions permitted under the Securitisation Act 2004, including, without limitation, disposing of its assets in accordance with the relevant agreements. The Issuer may only carry out the above activities if and to the extent that they are compatible with the Securitisation Act 2004.

Compartments

The Board of the Issuer may, in accordance with the terms of the Securitisation Act 2004, create individual Compartments. Each Compartment will correspond to a distinct part of the assets and liabilities in respect of the Issuer. The resolution of the Board creating one or more Compartments, as well as any subsequent amendments thereto, will be binding as of the date of such resolution against any third party.

Each series of Securities will be issued through a separate Compartment and each such Compartment will be treated as a separate entity. Rights of Holders of Securities and any other creditor of the Issuer that (i) have been designated as relating to a Compartment on the creation of a Compartment or (ii) have arisen in connection with the creation, the operation or the liquidation of a Compartment, are strictly limited to the assets of that Compartment which shall be exclusively available to satisfy such Holders of Securities or creditors, unless otherwise provided for in the resolution of the Board which created the relevant Compartment. Holders of Securities and other creditors of the Issuer whose rights are not related to a specific Compartment of the Issuer shall have no rights to the assets of any such Compartment.

Unless otherwise provided for in the resolution of the Board creating such Compartment, no resolution of the Board may amend the resolution creating such Compartment or directly affect the rights of the Holders of Securities or creditors whose rights relate to such Compartment without the prior approval of all of the Holders of Securities and other creditors whose rights relate to such Compartment. Any decision of the Board taken in breach of this provision shall be void.

Without prejudice to the preceding paragraph, each Compartment may be separately liquidated without such liquidation resulting in the liquidation of another Compartment of the Issuer or of the Issuer itself.

The liabilities and obligations of the Issuer incurred or arising in connection with a Compartment and all matters connected therewith will only be satisfied or discharged from the Charged Assets. The Charged Assets will be exclusively available to satisfy the rights of the Holders of Securities and the other creditors of the Issuer in respect of the Securities and all matters connected therewith, as provided therein, and (subject to mandatory law) no other creditors of the Issuer will have any recourse against the Charged Assets of the Issuer.

Issuer authorised by the CSSF

The Issuer is a securitisation company authorised and supervised by the CSSF pursuant to the Securitisation Act 2004. The Issuer is deemed to qualify as a securitisation undertaking which will issue securities to the public on a continuous basis. According to the CSSF's current administrative practice, more than three issues per year is to be regarded as being "on a continuous basis".

The CSSF has approved, on 5 February 2009, the Articles of the Issuer and the Issuer has been entered on 6 February 2009 into the official list by the CSSF which was published on 6 February 2009.

The CSSF has been informed of the members of the Board of the Issuer and its sole shareholder. The Issuer has also provided the CSSF with copies of the final form of each of the Trust Deed, Dealer Agreement, Agency Agreement and this base Prospectus, a copy of the financial information prepared by the Issuer and a copy of the opening financial statements certified by the Issuer's auditor.

The Securitisation Act 2004 empowers the CSSF to continuously supervise the Issuer and to comprehensively examine anything which may affect the interests of the Holders of Securities. For example, the CSSF can request regular interim reports on the status of the Issuer's assets and proceeds therefrom as well as any other documents relating to the operation of the Issuer, and can, under certain conditions, withdraw the authorisation of the Issuer.

The Issuer is obliged to provide information to the CSSF on a semi-annual basis with respect to new issues of Securities, outstanding issues of Securities and issues of Securities that have been redeemed during the period under review. In connection therewith the nominal value of each issue of Securities, the type of securitisation and the investor profile must be reported.

Capitalisation

The following table sets out the capitalisation of the Issuer as at the date of this Base Prospectus.

SHAREHOLDERS' FUNDS:

SHARE CAPITAL (ISSUER SHARES)	EUR 31,000
TOTAL CAPITALISATION	<u>EUR 31,000</u>

Indebtedness

As at the date of this Base Prospectus, the Issuer has no material indebtedness, contingent liabilities and/or guarantees other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated in this Base Prospectus.

Administration, Management and Supervisory Bodies

The directors of the Issuer are as follows:

Director	Business address	Principal outside activities	
Damien Nussbaum	2-8, avenue Charles de Gaulle, L-1653 Luxembourg	Company director	managing
Severine Canova	8, avenue Hoche, 75008 Paris, France	Company director	managing
Hans van de Sanden	20, rue de la Poste, L-2346 Luxembourg	Company director	managing

Each of the directors confirms that there is no conflict of interest between his duties as a director of the Issuer and his principal and/or other outside activities.

Citco C&T (Luxembourg) S.A., a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 2-8 avenue Charles de Gaulle L-1653 Luxembourg ("**Citco**") registered with the Luxembourg trade and companies register under number B 139 857, acts as corporate services agent and the domiciliation agent of the Issuer (the "**Corporate Services Agent**"). Pursuant to the terms of the management and administration agreement and the domiciliary agent agreement each effective 23 January 2009 and entered into between the Corporate Services Agent and the Issuer, the Corporate Services Agent will perform in Luxembourg certain administrative and corporate and domiciliary agent services. In consideration of the foregoing, the Corporate Services Agent will receive an annual fee as agreed with the Issuer. The appointment of the Corporate Services Agent may be terminated, in principle, by either the Issuer or the Corporate Services Agent upon not less than 90 calendar days' prior notice.

No corporate governance regime to which the Issuer would be subject exists in Luxembourg as at the date of this Base Prospectus.

Financial Statements

The financial year of the Issuer is the calendar year save that the first financial year was from the date of incorporation to 31 December 2009 and the second financial year was from 1 January 2010 to 31 December 2010. The Issuer published its first audited financial statements, in respect of the period ending on 31 December 2009, on 2 February 2010, its second audited financial statements, in respect of the period ending on 31 December 2010, on 18 February 2011 and its third audited financial statements, in respect of the period ending on 31 December 2011, on 27 April 2012.

In accordance with articles 72, 74 and 75 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended, the Issuer is obliged to publish its annual accounts on an annual basis following approval of the annual accounts by the annual general meeting of the shareholders. The ordinary general meeting of shareholders takes place annually on 31 May or, if such day is not a business day, the next following business day in Luxembourg at 10.00 a.m., at the registered office of the Issuer or at such other place in Luxembourg as may be specified in the convening notice.

Any future published annual audited financial statements prepared for the Issuer will be obtainable free of charge from the specified office of the Paying Agents and the Issuer, as described in "*General Information*".

Selected Financial Statements

As at 31 December 2011, the Issuer had total assets and total liabilities of euro 631,506,606.54. For the period from, and including, 1 January 2011 to, and including, 31 December 2011, the Issuer had total expenses of euro 142,198,498.66 and total income of euro 142,198,498.66. As at 31 December 2010, the Issuer had total assets and total liabilities of euro 561,159,797.35. For the period from, and including, 1 January 2010 to, and including, 31 December 2010, the Issuer had total expenses of euro 96,760,127.91 and total income of euro 96,760,127.91.

Independent Auditors

The external auditors (*réviseurs d'entreprises agréés*) of the Issuer, which have been appointed by a resolution of the Board dated 5 February 2009, are PricewaterhouseCoopers S.à r.l., with registered office at 400, route d'Esch, B.P. 1443, L-1014 Luxembourg, a member of the Luxembourg institute of auditors (*Instituts des réviseur d'entreprises*) and an accountancy firm authorised to carry on business in the Grand Duchy of Luxembourg by the CSSF. PricewaterhouseCoopers S.à r.l. has no material interest in the Issuer.

SELECTED FINANCIAL INFORMATION RELATING TO BNP PARIBAS

Set out below is selected financial information relating to BNP Paribas. Further information relating to BNP Paribas can be found in the BNP Paribas Disclosure. The selected financial information set out below must be read and considered with this Base Prospectus as a whole, including the documents incorporated by reference herein.

Selected key audited financial information:

In millions of EUR

	31/12/2011	31/12/2010
Revenues	42,384	43,880
Cost of risk	(6,797)	(4,802)
Net income, Group share	6,050	7,843
Common Equity Tier 1 Ratio	9.6%	9.2%
Tier 1 Ratio	11.6%	11.4%
Total consolidated balance sheet	1,965,283	1,998,158
Consolidated loans and receivables due from customers	665,834	684,686
Consolidated items due to customers	546,284	580,913
Shareholders' equity (Group share)	75,370	74,632

DESCRIPTION OF BNP PARIBAS ARBITRAGE S.N.C.

BNP Paribas Arbitrage S.N.C. is a wholly owned subsidiary of BNP Paribas. It is involved in dealing on its own account in equities and equity derivatives and stock borrowing and lending, receiving and transmitting orders for third parties, placement, underwriting and investment advice (decision of the *Comité des Etablissements de Crédit et des Entreprises d'Investissement* – CECEI dated April 9, 2002). It trades on the main international financial markets and is, in particular, a major dealer in equities on the U.S., French, British, Swiss, German, Dutch, Belgian, Italian and Spanish stock exchanges.

BNP Paribas Arbitrage S.N.C. is organised as a French partnership *Société en Nom Collectif* (S.N.C.), with capital of EUR 323,753,355, whose registered office is located at 8 rue de Sofia 75018 Paris (France), registered with the Registry of Commerce and Companies of Paris under the number 394 895 833.

The capital of BNP Paribas Arbitrage S.N.C. is held by three partners (*associés*):

TAITBOUT PARTICIPATION 3, *Société en Nom Collectif*, whose registered office is located at 1 Boulevard Haussmann - 75009 Paris (France), registered with the Registry of Commerce and Companies of Paris under the number 433 912 250, holds 99.996% of the BNP Paribas Arbitrage S.N.C. capital;

BNP PARIBAS, *Société Anonyme*, whose registered office is located at 16 boulevard des Italiens 75009 Paris (France), registered with the Registry of Commerce and Companies of Paris under the number 662 042 449, holds 0.002% of the BNP Paribas Arbitrage S.N.C. capital;

Société ANTIN PARTICIPATION 5, *Société par Actions Simplifiée*, whose registered office is located at 1 Boulevard Haussmann - 75009 Paris (France), registered with the Registry of Commerce and Companies of Paris under the number 433 891 678, holds 0.002% of the BNP Paribas Arbitrage S.N.C. capital.

The manager (*Gérant*) of BNP Paribas Arbitrage S.N.C. is BNP Paribas, whose permanent representative (*Représentant Permanent du Gérant*) is Mr. Yann Gerardin.

Sociétés en Nom Collectif are governed by articles L221-1 to L221-17 of the Code of Commerce, related to commercial companies. Article L221-1 expressly states that the partners of a S.N.C. are indefinitely, jointly and severally liable for the debts of the S.N.C. This joint and several obligation exists for each partner of the S.N.C., whatever the amount of the S.N.C.'s capital such partner holds, so that each creditor of a S.N.C. may require from any of the partners of such S.N.C. the payment of the aggregate amount of its debt against the S.N.C. This obligation is attached by law to the qualification of a person as a partner of a S.N.C. Thus, in the event BNP Paribas Arbitrage S.N.C. is in default in the performance of any of its obligations toward a third party, BNP Paribas will be liable towards such third party as if BNP Paribas, itself, had directly underwritten such an obligation.

BOOK ENTRY CLEARANCE SYSTEMS

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, for the purposes of this section, the "Clearing Systems") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer and the Guarantor (if applicable) believe to be reliable, but none of the Issuer, the Guarantor (if applicable) nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Guarantor (if applicable) nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Securities held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Book-entry Systems

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Transfers of Securities represented by Registered Global Notes and Registered Global Warrants respectively

Transfers of any interests in Notes represented by a Registered Global Note, interests in Warrants represented by a Registered Global Warrant or interests in Certificates represented by a Registered Global Certificate within Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system.

Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes, Registered Global Warrants and Registered Global Certificates among participants and accountholders of Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Guarantor (if applicable), the Agents or any Dealer will be responsible for any performance by Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes, in the Warrants represented by Registered Global Warrants or in the Certificates represented by Registered Global Certificates or for maintaining, supervising or reviewing any records relating to such beneficial interests.

TAXATION

The statements herein regarding taxation are based on the laws in force in Luxembourg, France, the United Kingdom, Poland, Germany, Italy and Belgium, as applicable, as of the date of this Base Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Securities and it is not intended to be, nor should it be construed to be, legal or tax advice. Each prospective holder or beneficial owner of Securities should consult its tax adviser as to the effect of the state, local or foreign laws, including the tax laws of Luxembourg, France, the United Kingdom, Poland, Germany, Italy and Belgium, as applicable, of any investment in or ownership and disposition of the Securities.

The following statements regarding taxation may be modified by the Issuer and the relevant Dealer(s) following a change in the relevant law, regulation or directive and in certain other circumstances as may be agreed between the Issuer and the relevant Dealer(s). Any such modification will be set out in the Final Terms and (if applicable) the syndication agreement in respect of the Series (and/or Tranche, as the case may be) to which it is related or in a Supplement to this Base Prospectus.

1. EU DIRECTIVE ON THE TAXATION OF SAVINGS INCOME

On 3 June 2003, the European Council of Economic and Finance Ministers adopted the Directive 2003/48/EC on the taxation of savings income (the "Directive"). Pursuant to the Directive and subject to a number of conditions being met, Member States are required to provide to the tax authorities of another Member State, inter alia, details of payments of interest within the meaning of the Directive (interests, products, premiums or other debt income) made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident in that other Member State (the "Disclosure of Information Method").

For these purposes, the term "paying agent" is defined widely and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Directive, for the immediate benefit of individuals.

However, for a transitional period, the Grand Duchy of Luxembourg and Austria are instead required (unless during that period they elect otherwise) to withhold an amount on interest payments unless the relevant beneficial owner of such payment elects for the Disclosure of Information Method. The rate of such withholding tax is 35 per cent. until the end of the transitional period.

Such transitional period will end at the end of the first full fiscal year following the later of: (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the European Council, and Switzerland, Liechtenstein, San Marino, Monaco and Andorra, providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on 18 April 2002 (the "OECD Model Agreement") with respect to interest payments within the meaning of the Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments at the rate applicable for the corresponding periods mentioned above; and (ii) the date on which the European Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Directive. The European Commission has proposed certain amendments to the directive which may, if implemented, amend or broaden the scope of the requirements set out above.

A number of non-EU countries and dependent or associated territories have adopted similar measures (transitional withholding or exchange of information).

2. LUXEMBOURG TAXATION

Withholding Tax

(a) Non-resident Holders of Securities

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident Holders of Securities, nor on accrued but unpaid interest in respect of the Securities, nor is any Luxembourg withholding tax payable upon redemption, repurchase or exchange of the Securities held by non-resident Holders of Securities.

Under the laws of 21 June 2005 implementing the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the "**Territories**"), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the law of 21 June 2005, which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it is levied at a rate of 35 per cent. as of 1 July 2011. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

(b) Resident Holders of Securities

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 mentioned below (as amended), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident Holders of Securities, nor on accrued but unpaid interest in respect of Securities, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Securities held by Luxembourg resident Holders of Securities.

Under the law of 23 December 2005, as amended, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Securities coming within the scope of the law of 23 December 2005 would be subject to withholding tax of 10 per cent. Individuals beneficial owners resident in Luxembourg may opt for a final withholding of 10% on eligible interest income received from a paying agent established in an EU Member State, EEA State (Iceland, Liechtenstein and Norway) or in a State which has concluded an agreement with Luxembourg introducing measures equivalent to those of the EC Council Directive 2003/48/EC on the taxation of savings income.

Taxes on Income and Capital Gains

A holder of the Securities who derives income from such Securities or who realises a gain on the disposal or redemption thereof will not be subject to Luxembourg taxation on such income or capital gains unless:

- (a) such holder is, or is deemed to be, resident in Luxembourg for the purposes of the relevant provisions; or
- (b) such income or gain is attributable to an enterprise or part thereof which is carried on through a permanent establishment, a permanent representative or a fixed base of business in Luxembourg.

Net Wealth Tax

Luxembourg net wealth tax will not be levied on a holder of the Securities unless:

- (a) such holder is, or is deemed to be, resident in Luxembourg for the purpose of the relevant provisions; or
- (b) such Securities are attributable to an enterprise or part thereof which is carried on through a permanent establishment, a permanent representative or a fixed base of business in Luxembourg.

With the law of 23 December 2005, the net wealth tax has been abolished for resident and non-resident individuals with effect from 1 January 2006.

Inheritance and Gift Tax

Where the Securities are transferred for no consideration, note in particular that:

- (a) no Luxembourg inheritance tax is levied on the transfer of the Securities upon death of a holder of the Securities in cases where the deceased holder was not a resident of Luxembourg for inheritance tax purposes; and
- (b) Luxembourg gift tax will be levied on the transfer of the Securities by way of a gift by the holder of the Securities, as applicable, if this gift is registered in Luxembourg.

Value Added Tax

There is no Luxembourg value-added tax payable in respect of payments in consideration of the issue of the Securities or in respect of payments of interest or principal under the Securities or the transfer of the Securities, provided that Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if such services are rendered, or are deemed to be rendered, in Luxembourg and an exemption from value added tax does not apply with respect to such services.

Other Taxes and Duties

There is no Luxembourg registration tax, capital tax, stamp duty or any other similar tax or duty payable in Luxembourg in respect of or in connection with the issue of the Securities or in respect of the payment of principal or interest under the Securities or the transfer of the Securities. If any documents in respect of the Securities are required to be registered in Luxembourg, they will be subject to a fixed registration duty.

Residence

A holder of the Securities will not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of such Securities or the execution, performance, delivery and/or enforcement of that or any other Securities.

3. FRENCH TAXATION

EU Savings Directive (France)

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from 1 July 2005, 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. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise, as Belgium did with effect from 1 January 2010) 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 adopted similar measures (a withholding system in the case of Switzerland) with effect from the same date.

The Directive was implemented under French law by article 242 ter of the French General Tax Code which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest payments made as from 1 July 2005.

French tax implications for the French resident Noteholders (or holders of Certificates constituting debt instruments for French tax purposes)

Once a French income tax resident has purchased Notes or applicable Certificates (which would not of itself trigger any French income tax consequences), the French income tax consequences of the holding, conversion, and disposal of such Notes or Certificates, as the case may be, by such French tax resident Noteholder or Certificateholder would be as follows:

(i) Tax consequences of the holding of Notes or applicable Certificates by a French resident Noteholder or Certificateholder, as the case may be,

(i) with respect to French individual tax residents

Interest and assimilated income paid by the Issuer of Notes or Certificates to a French individual tax resident Noteholder or Certificateholder, as the case may be,

(1) would normally be subject to the progressive rates of French individual income tax (with a maximum tax rate amounting to 41 per cent. excluding any exceptional contribution to income tax that may be assessed in respect of individuals with taxable income over €250,000). In addition, such interest and assimilated income would also be subject to social charges amounting to 13.5 per cent. (15.5 per cent. as from 1 July 2012); but

(2) could be subject, upon election of the French individual tax resident Noteholder or Certificateholder, as the case may be, to French individual income tax withheld at source at the flat rate of 24 per cent., provided that (i) the debtor and paying establishment of such Interest and assimilated income is established in a Member State of the EEA and (ii) that such interest and assimilated income would not be attributable to an enterprise carried on by the French income tax resident subject to French individual income tax. In addition, such interest and assimilated income would also be subject to social charges amounting to 13.5 per cent (15.5 per cent. as from 1 July 2012).

(ii) with respect to French corporate tax residents

Interest and assimilated income incurred by the Issuer of Notes or Certificates to a French corporate tax resident Noteholder or Certificateholder, as the case may be, would be subject to (i) French corporate income tax at the normal rate of 33.1/3 per cent., (ii) the 3.3 per cent. additional social contribution on French corporate income tax, if applicable, and (iii) an additional contribution of 5 per cent. applicable for fiscal years ending between 31 December 2011 and 31 December 2013 to companies with turnover exceeding €250 million (raising the maximum effective rate up to 36.1 per cent.).

(ii) Tax consequences of the conversion of Notes or applicable Certificates by a French resident Noteholder or Certificateholder

The conversion of Notes or applicable Certificates by a French individual or corporate tax resident Noteholder or Certificateholder would not have any French individual or corporate income tax consequences.

(iii) **Tax consequences of the disposal of Notes or applicable Certificates by a French resident Noteholder or Certificateholder**

(i) with respect to French individual tax residents

Any capital gain realised upon disposal of Notes or Certificates (or of shares resulting from the conversion of such Notes or Certificates) by a French individual tax resident Noteholder or Certificateholder, as the case may be, (assuming that such capital gain would not be attributable to an enterprise carried on by the French income tax resident subject to French individual income tax) would be subject to a French individual income tax at the flat rate of 19 per cent. and to French social charges at the flat rate of 15.5 per cent.

Furthermore, any capital gain realised upon disposal of shares resulting from the conversion of such Notes or Certificates by a French individual tax resident Noteholder or Certificateholder, as the case may be, could benefit for purposes of taxation to French individual income tax, from deferred taxation provided stringent conditions are met.

(ii) with respect to French corporate tax residents

Any capital gain realised upon disposal of Notes or Certificates (or of shares resulting from the conversion of such Notes or Certificates) by a French corporate tax resident Noteholder or Certificateholder, as the case may be, would normally be subject to:

- (1) French corporate income tax at the normal rate of 33.1/3 per cent.;
- (2) the 3.3 per cent. additional social contribution on French corporate income tax, if applicable; and
- (3) an additional contribution of 5 per cent. applicable for fiscal years ending between 31 December 2011 and 31 December 2013 to companies with turnover exceeding €250 million (raising the maximum effective rate up to 36.1 per cent.).

Furthermore, any capital gain realised upon disposal of shares resulting from the conversion of such Notes or Certificates by a French corporate tax resident Noteholder or Certificateholder, as the case may be, could be exempted up to 90 per cent. from French corporate income tax to the extent that the capital gain might qualify as a "long term capital gain realised upon disposal of participation shares", that is to say a capital gain realised upon disposal of shares (i) qualifying as "participation shares" and (ii) held for a two-year period at least by the French corporate tax resident.

Payments made by the Guarantor (if applicable)

There is no direct authority under French law on the withholding tax status of payments by a French Guarantor (if applicable) under the Guarantee. In accordance with one interpretation of French tax law, payments made by a French Guarantor to a Noteholder or Certificateholder which is a non-French tax resident and which is not acting through a French establishment or branch may be treated as a payment in lieu of payments to be made by a French Guarantor with respect to the Notes or Certificates, as the case may be. Accordingly, under this interpretation payments made by a French Guarantor, of any amounts due by the Issuer under the Notes or Certificates, would be exempt from any taxes, duties or other charges of whatever nature by way of deduction or withholding by the Republic of France or any political subdivision or authority thereof or therein having power to tax, to the extent that interest payments made or to be made by the Issuer would be exempt from withholding tax by reason of it not being resident of, or otherwise established in, France.

In accordance with another interpretation, any such payment may be treated as a payment independent from the payments to be made by the Issuer with respect to the Notes or Certificates. In the absence of any

specific provision in the French General Tax Code, such payments would be exempt from any taxes, duties or other charges of whatever nature by way of deduction or withholding by the Republic of France or any political subdivision or authority thereof or therein having power to tax.

French tax implications for the French resident Warrantholders (or holders of Certificates not constituting debt instruments for French tax purposes)

(i) With respect to French individual tax residents

(1) Net profit realised out of France in respect of Warrants or applicable Certificates

Net profit realised out of France in respect of Warrants or Certificates (which do not constitute *obligations* under French law or *titres de créances négociables* for French tax purposes, or other debt instruments issued under French or foreign law and fiscally similar thereto within the meaning of administrative statement of practice 5 I-11-98 dated 30 September 1998 as supplemented by rulings 2007/59 (FP) dated 8 January 2008 and 2009/23 (FP) dated 7 April 2009) by a French individual tax resident Warrantholder or Certificateholder, as the case may be, (assuming that such payments would not be attributable to an enterprise carried on by the French income tax resident subject to French individual income tax) would be deemed as income from movable capital and subject to the progressive rates of French individual income tax (with a maximum tax rate amounting to 41 per cent. excluding any exceptional contribution to income tax that may be assessed in respect of individuals with taxable income over €250,000). In addition, such net profit would also be subject to social charges amounting to 15.5 per cent.

(2) Net profit realised in France in respect of Warrants or applicable Certificates

Net profit realised in France in respect of Warrants or Certificates (which do not constitute *obligations* under French law or *titres de créances négociables* for French tax purposes, or other debt instruments issued under French or foreign law and fiscally similar thereto within the meaning of administrative statement of practice 5 I-11-98 dated 30 September 1998 as supplemented by rulings 2007/59 (FP) dated 8 January 2008 and 2009/23 (FP) dated 7 April 2009) by a French individual tax resident Warrantholder or Certificateholder, as the case may be, (assuming that such payments would not be attributable to an enterprise carried on by the French income tax resident subject to French individual income tax),

- would be deemed as non-commercial profit and subject to the progressive rates of French individual income tax (with a maximum tax rate amounting to 41 per cent. excluding any exceptional contribution to income tax that may be assessed in respect of individuals with taxable income over €250,000) if the French individual tax resident Warrantholder or Certificateholder, as applicable, invests on a regular basis; or

- would be subject to a French individual income tax at the flat rate of 19 per cent if the French individual tax resident Warrantholder or Certificateholder, as applicable, invests on an occasional basis.

In addition, such net profit would also be subject to social charges amounting to 15.5 per cent.

(ii) With respect to French corporate tax residents

Net profit realised in respect of Warrants or Certificates (which do not constitute *obligations* under French law or *titres de créances négociables* for French tax purposes, or other debt instruments issued under French or foreign law and fiscally assimilated thereto within the meaning of administrative statement of practice 5 I-11-98 dated 30 September 1998 as supplemented by rulings 2007/59 (FP) dated 8 January 2008 and 2009/23 (FP) dated 7 April 2009) by a French corporate tax resident Warrantholder or Certificateholder, as applicable, would be subject to (i) French corporate income tax at the normal rate of 33.1/3 per cent., (ii) the 3.3 per cent. additional social contribution on French corporate income tax, if applicable, and (iii) an additional contribution of 5 per cent. applicable for fiscal years ending between 31

December 2011 and 31 December 2013 to companies with turnover exceeding €250 million (raising the maximum effective rate up to 36.1 per cent.).

4. UNITED KINGDOM TAXATION

The following applies only to persons who are the beneficial owners of Securities and is a summary of the Issuer's understanding of current law and practice in the United Kingdom relating only to United Kingdom withholding tax treatment and stamp tax aspects of various payments in respect of Securities. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Securities. Some aspects do not apply to certain classes of person (such as dealers and persons connected with the Issuer) to whom special rules may apply. These comments are not intended to be, nor should they be regarded as, legal or tax advice. The precise tax treatment of a holder of Securities will depend for each issue on the terms of the Securities, as specified in the Terms and Conditions of the Securities as amended and supplemented by the applicable Final Terms under the law and practice at the relevant time. Prospective Holders of Securities should consult their own tax advisers in all relevant jurisdictions to obtain advice about their particular tax treatment in relation to such Securities.

Notes

Payment of interest on the Notes

Payments of interest on the Notes may be made without withholding on account of United Kingdom income tax if the interest on the notes does not have its "source" in the United Kingdom. The concept of "source" is complex but HM Revenue and Customs ("**HMRC**") published practice indicates that the primary factor is the jurisdiction of residence of the Issuer, in this case Luxembourg, which would indicate that the notes do not have a United Kingdom "source." In any event the Notes will constitute "quoted Eurobonds" within the meaning of section 987 of the Income Tax Act 2007 (the "**ITA 2007**") provided that they carry a right to interest and as long as they are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the ITA 2007. The Luxembourg Stock Exchange is a recognised stock exchange for this purpose. Accordingly, even if the Notes do have a United Kingdom "source", payments of interest on the Notes may be made without withholding on account of UK income tax provided the Notes remain so listed at the time of payment.

In all other cases (except in the case of payment of interest on Notes which is not "yearly interest" in which case interest can be paid without withholding or deduction for or on account of UK income tax, although it should be noted that on 27 March 2012 HMRC issued a consultation document proposing the abolition of the concept of "yearly interest" such that the withholding requirement would apply to all interest payments subject to the availability of an exemption), an amount must be withheld on account of income tax at the basic rate (currently 20 per cent.), subject to any direction to the contrary by HMRC under an applicable double taxation treaty, and except where the withholding obligation is disapplied in respect of payments to any Noteholder which the Issuer reasonably believes is either a UK resident company or a non UK resident company carrying on a trade in the UK through a permanent establishment which is within the charge to corporation tax as regards the interest, or falls within various categories enjoying a special tax status (including charities and pension funds), or are partnerships consisting of such persons (unless HMRC direct otherwise).

The attention of holders is drawn to Condition 9 (Taxation) of the Terms and Conditions of the Notes.

Noteholders may wish to note that, in certain circumstances, HMRC has power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays interest to or receives interest for the benefit of a Noteholder. HMRC also has power, in certain circumstances, to obtain information from any person in the United Kingdom who pays amounts payable on the redemption of Notes which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005 to or receives such amounts for the benefit of another person, although HMRC published practice indicates that HMRC will not exercise the power referred to above to require this information in respect of amounts payable on the redemption of deeply discounted

securities where such amounts are paid on or before 5 April 2013. Such information may include the name and address of the beneficial owner of the amount payable on redemption. Any information obtained may, in certain circumstances, be exchanged by HMRC with the tax authorities of the jurisdiction in which the Noteholder is resident for tax purposes.

See also the section entitled "EU Savings Directive" below.

Stamp Duty and SDRT

Bearer Notes

A charge to United Kingdom stamp duty at 1.5 per cent. of the value of Notes will arise on the issue in the United Kingdom of Bearer Notes which are denominated in sterling and which are not loan capital. No United Kingdom stamp duty liability arises on the issue of such a Bearer Note outside the United Kingdom. However, a United Kingdom stamp duty liability at 1.5 per cent. will arise on the first transfer by delivery in the United Kingdom of such a Bearer Note which was originally issued outside the United Kingdom. Otherwise, no United Kingdom stamp duty will be payable in relation to the issue of Bearer Notes.

No United Kingdom stamp duty will be payable on transfers of Bearer Notes on sale provided no instruments of transfer are used to complete such sales.

No United Kingdom stamp duty will be payable on the redemption of Bearer Notes. United Kingdom stamp duty may be required to be paid in relation to the transfer of an asset on redemption of a Bearer Note which is a Physical Delivery Note (a "**Physical Delivery Bearer Note**").

No SDRT will be payable in relation to an issue of Bearer Notes into a clearing system. No SDRT will be payable in relation to agreements to transfer Bearer Notes within a clearing system.

SDRT may be payable in respect of the agreement to transfer an asset pursuant to a Physical Delivery Bearer Note. However, any such liability to SDRT will be cancelled (or if already paid, will be repaid) if the instrument effecting the transfer is chargeable with stamp duty (or is otherwise required to be stamped) and has been duly stamped within six years of the agreement being made or, in the case of a conditional agreement, within six years of all conditions being satisfied, or if such instrument is not chargeable with stamp duty or otherwise required to be stamped.

Registered Notes

No United Kingdom stamp duty will be payable in relation to the issue of Registered Notes into a clearing system.

No United Kingdom stamp duty will be payable on transfers of Registered Notes on sale provided no instruments of transfer are used to complete such sales.

No SDRT will be payable in relation to an issue of Registered Notes into a clearing system. No SDRT will be payable in relation to the transfer of Registered Notes within a clearing system unless the clearing system makes an election under section 97 A to the Finance Act 1986.

No United Kingdom stamp duty or SDRT will be payable on to the redemption of Registered Notes. United Kingdom stamp duty may be required to be paid in relation to the transfer of an asset on redemption of a Registered Note which is a Physical Delivery Note.

SDRT may be payable in respect of the agreement to transfer an asset pursuant to such a Registered Note. However, any such liability to SDRT will be cancelled (or if already paid, will be repaid) if the instrument effecting the transfer is chargeable with stamp duty (or is otherwise required to be stamped) and has been duly stamped within six years of the agreement being made or, in the case of a conditional agreement, within six years of all conditions being satisfied, or if such instrument is not chargeable with stamp duty or otherwise required to be stamped.

Warrants and Certificates

Withholding Tax

Payments on the Warrants and on the Certificates may be made without withholding on account of United Kingdom withholding tax if such payments on the Warrants or Certificates do not have their "source" in the United Kingdom. The concept of "source" is complex but HMRC published practice indicates that the primary factor is the jurisdiction of residence of the Issuer, in this case Luxembourg, which would indicate that the notes do not have a United Kingdom "source." If the payments on the Warrants or Certificates have a United Kingdom "source", there may be withholding on account of United Kingdom income tax.

Stamp Duty and SDRT

A Global Warrant or Global Certificate may be subject to United Kingdom stamp duty if it is executed in the United Kingdom or if it relates to any property situate, or to any matter or thing done or to be done, in the United Kingdom. However, in the context of retail covered warrants listed on the London Stock Exchange, HMRC has indicated that no charge to United Kingdom stamp duty will arise on the grant of such warrants. It is not clear whether or not HMRC would be prepared to take such a view in relation to a Global Warrant or Global Certificate.

If a Global Warrant or Global Certificate is subject to United Kingdom stamp duty, but the stamp duty has not been paid, that Global Warrant or Global Certificate cannot be used for any purpose in the United Kingdom; for example it will be inadmissible in evidence in civil proceedings in a United Kingdom court.

If a Global Warrant or Global Certificate is subject to United Kingdom stamp duty, and it becomes necessary to pay that stamp duty (for example because this is necessary in order to enforce the document in the United Kingdom), interest will be payable (in addition to the stamp duty) in respect of the period from 30 days after the date of execution of the relevant Global Warrant or Global Certificate to the date of payment of the stamp duty. Penalties may also be payable if a Global Warrant or Global Certificate which was executed outside the United Kingdom is not stamped within 30 days of first being brought into the United Kingdom; or, if the Global Warrant or Global Certificate was executed in the United Kingdom, within 30 days of execution. If any United Kingdom stamp duty is required to be paid, it would be payable at a rate of 0.5 per cent. by reference to the amount of consideration given for the issue of Warrants represented by the relevant Global Warrant, or the amount of consideration given for the issue of Certificates represented by the relevant Global Certificate, as applicable.

No SDRT will be payable on the issue of a Cash Settled Warrant or Cash Settled Certificate into a clearing system. SDRT may be payable in relation to the issue into a clearing system of a Physical Delivery Warrant or Physical Delivery Certificate which gives the holder an interest in, or rights arising out of, or the right to acquire, stocks, shares or loan capital, unless such stocks shares or loan capital would be exempt from all stamp duties.

SDRT may be payable in relation to any agreement to transfer Physical Delivery Warrants or Physical Delivery Certificates which give the holder an interest in, or rights arising out of, or the right to acquire, stocks, shares or loan capital, unless such stocks, shares or loan capital would be exempt from all stamp duties.

SDRT may be payable in respect of the agreement to transfer an asset pursuant to a Physical Delivery Warrant or Physical Delivery Certificate following the exercise or redemption of such Security. However, any such liability to SDRT will be cancelled (or, if already paid, will be repaid) if the instrument effecting the transfer is chargeable with stamp duty (or is otherwise required to be stamped) and has been duly stamped within six years of the agreement being made or, in the case of a conditional agreement, within six years of all conditions being satisfied, or if such instrument is not chargeable with stamp duty or otherwise required to be stamped.

EU Savings Directive

Under EC Council Directive 2003/48/EC 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) made by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State or to certain limited types of entity 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 end of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). The European Commission has proposed certain amendments to the directive which may, if implemented, amend or broaden the scope of the requirements set out above.

A number of non-EU countries and territories have adopted similar measures.

5. POLISH TAXATION

The following information of certain Polish taxation matters is based on the laws and practice in force as of the date of this Final Terms and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following information does not purport to be a comprehensive description of all the tax consequences and considerations that may be relevant to acquisition, holding, disposing and redeeming of or cancelling (as applicable) the Securities, and does not purport to deal with the tax consequences applicable to all categories of investors.

The following information is not intended to be, nor should it be construed to be, legal or tax advice. It is recommended that potential purchasers of the Securities consult with their legal and tax advisors as to the tax consequences of the purchase, holding, sale or redemption.

A. Taxation in Poland of Polish resident individuals

5.1 Polish resident individuals

Individuals having their place of residence in Poland ("**Polish Resident Individuals**") are subject to Polish Personal Income Tax ("**PIT**") on their worldwide incomes irrespective of the country from which the incomes were derived.

5.2 Taxation of income from the disposal of Securities

Income earned by Polish Resident Individuals on the disposal of Securities should be classified as capital gains realised on the sale of securities and as such it will not be combined with income from other sources but will be subject to the 19 per cent. flat PIT rate. The income is calculated as the difference between the revenue earned on the disposal of Securities (in principle, the selling price) and the related costs (in principle, the Issue Price). The tax is settled on an annual basis. An annual tax return should be filed by April 30 of the calendar year following the year in which the income was earned.

5.3 Taxation of income from the redemption of Notes or Certificates or cancellation of Warrants

Income earned by a Polish Resident Individuals on the redemption of Notes or Certificates or the cancellation of Warrants, as applicable, should not be combined with income from other sources and thus will be subject to the 19 per cent. flat PIT rate. The income is calculated as the difference between the revenue earned on the redemption of Notes or Certificates, as applicable (the "**Redemption Amount**") or on the cancellation of the Warrants (the "**Cancellation Amount**") and the related costs (in principle, the Issue Price). The tax is settled on an annual basis. An annual tax return should be filed by April 30 of the calendar year following the year in which the income was earned.

5.4 Taxation of interest under Securities

The amount of interest under Securities earned by a Polish Resident Individual should not be combined with income from other sources and will be subject to the 19 per cent. flat PIT rate. Unless a tax remitter withholds the tax, the tax is settled by Polish Resident Individual. An annual tax return should be filed by April 30 of the calendar year following the year in which the income was earned.

B. Taxation in Poland of Polish resident entities

5.5 Polish resident entities

Entities having their seat or place of management in Poland ("**Polish Resident Entities**") are subject to Polish Corporate Income Tax ("**CIT**") on their worldwide incomes irrespective of the country from which the incomes were derived.

5.6 Taxation of income from the disposal of Securities

Income earned by Polish Resident Entities on the disposal of Securities is subject to the 19 per cent. CIT rate. The income is calculated as the difference between the revenue earned on the disposal of Securities (in principle, the selling price) and the related costs (in principle, the Issue Price). Tax advances are generally paid on a monthly basis (however, some categories of CIT taxpayers may pay tax advances on a quarterly basis). The final tax reconciliation is made in the annual CIT return filed within three months of the end of the tax year.

5.7 Taxation of income from the redemption of Notes or Certificates or cancellation of Warrants

Income earned by a Polish Resident Entities on the redemption of Notes or Certificates or the cancellation of Warrants, as applicable, is subject to the 19 per cent. CIT rate. The income is calculated as the difference between the Redemption Amount (in the case of Notes and Certificates) or the Cancellation Amount (in the case of Warrants) and the related costs (in principle, the Issue Price). Tax advances are generally paid on a monthly basis (however, some categories of CIT taxpayers may pay tax advances on a quarterly basis). The final tax reconciliation is made in the annual CIT return filed within three months of the end of the tax year.

5.8 Taxation of interest under Securities

The amount of interest earned by a Polish Resident Entity under Securities is subject to the 19 per cent. CIT rate. Tax advances are generally paid on a monthly basis (however, some categories of CIT taxpayers may pay tax advances on a quarterly basis). The final tax reconciliation is made in the annual CIT return filed within 3 months of the end of the tax year.

C. Taxation in Poland of non-resident individuals and entities

Individuals and entities that are Polish non-residents will not generally be subject to Polish taxes on income resulting from the disposal of Securities or redemption of Notes or Certificates, as applicable, or cancellation of Warrants unless such income is attributable to an enterprise which is either managed in Poland or carried on through a permanent establishment in Poland. However, some double tax treaties concluded by Poland may provide for a different tax treatment (for example, in case of the disposal of Securities in a real estate company). In addition, in the case of individuals resident in a country which does not have a binding double tax treaty with Poland, there may be a risk of taxation of the types of income referred to in this paragraph, in the case of the disposal/redemption/cancellation of Securities/Notes/Certificates/Warrants issued by a public company quoted on the Polish Stock Exchange.

D. EU Directive on Taxation of Savings Income

In accordance with EC Council Directive 2003/48/EC on the taxation of savings income, Poland will provide to the tax authorities of another EU Member State (and certain non-EU countries and associated

territories specified in that directive) details of payments of interest or other similar income paid by a person within Poland to, or collected by such a person for, an individual resident in such other state.

6. GERMAN TAXATION

The following is a general discussion of certain German tax consequences of the acquisition, holding and disposal of Securities. It does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase Securities, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of Germany currently in force and as applied on the date of this Base Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

As each series of Securities may be subject to a different tax treatment due to the specific terms of such Series as set out in the respective Final Terms, the following section only provides some very general information on the possible tax treatment of a generic Security.

Prospective Holders of Securities are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposal of Securities, including the effect of any state, local or church taxes, under the tax laws of Germany and each country of which they are residents.

Tax Residents

Payments of interest on the Securities to persons or entities who are tax residents in Germany (i.e. persons or entities whose residence, habitual abode, statutory seat or place of effective management and control is located in Germany) are subject to German personal or corporate income tax (*Einkommen- oder Körperschaftsteuer*) (plus solidarity surcharge (*Solidaritätszuschlag*) at a rate of 5.5 per cent. thereon). In addition church tax may apply as a surcharge on the personal income tax. Such interest payments may also be subject to German trade tax (*Gewerbesteuer*) if the Securities form part of the property of a German trade or business.

Upon the disposal of a Security carrying interest the Holder of the Security will also have to include in his taxable income any consideration invoiced separately for such portion of the interest of the current interest payment period which is attributable to the period up to the disposal of the Security ("**Accrued Interest**"). Accrued Interest paid upon the acquisition of a Security may give rise to negative income if the Security is held as a non-business asset.

Capital gains from the sale, transfer, redemption or cancellation of a Security are subject to German personal income tax (plus solidarity surcharge thereon) for tax resident individuals. If the Securities form part of the assets of a German trade or business the capital gains may also be subject to German trade tax. Capital gains derived by tax resident corporate Holders of Securities will be subject to German corporate income tax (plus solidarity surcharge thereon) and German trade tax. Losses incurred upon the sale, transfer, redemption or cancellation of a Security may give rise to negative income.

Where Securities form part of the assets of a German trade or business, each year the part of the difference between the issue or purchase price of the Securities and their redemption amount (if such amount is fixed at the time of the acquisition) attributable to such year as well as interest accrued must be taken into account as interest income and may also be subject to trade tax.

If the Securities are held in a custodial account which the holder maintains with a German bank or financial services institution, with a German branch of a non-German bank or financial services institution, with a German securities trading business (*Wertpapierhandelsunternehmen*) or with a German securities trading bank (*Wertpapierhandelsbank*) (a "German Paying Agent") a 25 per cent. withholding tax (plus solidarity surcharge thereon) will be levied on interest payments and capital gains, resulting in a total tax charge of 26.38 per cent. In the case of interest and accrued interest withholding tax will be levied on the interest / accrued interest amount. In the case of capital gains from the sale, transfer, redemption or cancellation of Securities, withholding tax will be levied on an amount equal to the difference between the issue or purchase price of the Securities and the redemption amount or sales proceeds less any directly related

expenses provided that the holder of the Security has kept it in a custodial account since the time of issuance or acquisition respectively or has proven the acquisition facts. Otherwise, withholding tax is generally applied to 30 per cent. of the amounts paid in partial or final redemption or cancellation of the Securities or the proceeds from the sale or transfer of the Securities.

In computing the tax to be withheld the German Paying Agent may deduct from the basis of the withholding tax any Accrued Interest previously paid by the Holder of Securities to the German Paying Agent during the same calendar year. If, in case of physical delivery, no cash payment is made upon redemption, the German Paying Agent will request that the Holder of Securities pays the withholding tax to it. If the Holder of Securities does not pay the amount to be withheld to the German Paying Agent the latter must notify the tax authorities of such failure which will then collect the tax from the Holder of Securities.

In general, no withholding tax will be levied for a tax resident individual holding the Securities as private assets who has filed a withholding exemption certificate (*Freistellungsauftrag*) with the German Paying Agent but only to the extent the interest income derived from the Security together with other investment income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no withholding tax will be levied if such holder of the Security has submitted to the German Paying Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the relevant local tax office.

If the Holder of the Security is a German resident corporation then generally no withholding tax will be levied on capital gains from the sale, transfer, redemption or cancellation of a Security provided that in the case of corporations of certain legal forms the status of corporation has been evidenced by certificate of the competent tax office. The same is true if the Securities are held as assets of a German trade or business and the Holder of the Security declares this by way of an official form vis-à-vis the German Paying Agent.

For tax resident individuals holding the Securities as private assets the withholding tax (plus solidarity surcharge and, on application, church tax, if any, thereon) is, in principle, a final tax (*Abgeltungsteuer*) and shall replace the investor's personal income taxation by way of assessment. Any expenses related to such income (*Werbungskosten*) such as financing or administration costs actually incurred are not tax deductible. Only a lump sum of €801 (€1,602 for spouses) can be deducted. Upon formal application by the taxpayer, the lower personal income tax rate, if any, will be applied (*Günstigerprüfung*). A taxpayer can also formally apply for a tax assessment to make specific allowances. If no tax is withheld, tax resident individuals holding the Securities as private assets are still obliged to file tax returns.

Where Securities form part of a trade or business the withholding tax will not settle the personal or corporate income tax liability. The German Holder of Securities will have to report income and related expenses on his tax return and the balance will be taxed at the German Holder of Securities' applicable tax rate. Withholding tax levied, if any, will be credited against the personal or corporate income tax of the German Holder of Securities. Amounts overwithheld will entitle the Holder of Securities to a refund, based on an assessment to tax.

German tax consequences different from those discussed above would arise if the respective Securities were regarded as (foreign) investment fund units (which, in particular, might be relevant for Physical Delivery Securities). In such case, withholding tax requirements for the German Paying Agent as well as the taxation of the Holder of Securities would depend on whether the disclosure and reporting requirements of the German Investment Tax Act were fulfilled. If this was not the case, the Holder of Securities may be subject to tax on unrealised or fictitious income. A foreign investment fund is defined as a pool of assets invested pursuant to the principle of risk diversification in one or more of certain asset classes listed in the German Investment Act and which is subject to foreign law. Generally, a foreign investment fund unit exists if the investor in a foreign investment fund has the right to request a redemption of its units against cash equivalent to its pro rata portion of the net asset value of the foreign investment fund or, in the absence of such right of redemption, the foreign investment fund is subject to regulatory supervision of collective investments in its state of residence.

Non-resident Holders of Securities

Interest, including accrued interest and capital gains are not subject to German taxation, unless (i) the Securities form part of the assets of a permanent establishment, including a permanent representative or a fixed base maintained in Germany by the holder of a Security or (ii) the interest income otherwise constitutes German source income, such as income from certain capital investments directly or indirectly secured by real estate located in Germany. If the non-resident of Germany is subject to German taxation with income from the Securities, a tax regime similar to that explained above under "Tax Residents" applies; capital gains from the sale, transfer, redemption or cancellation of Securities are, however, only taxable in the case of (i).

Non-residents of Germany are, in general, exempt from German withholding tax (plus solidarity surcharge thereon) on interest and capital gains. However, where the interest or the capital gains are subject to German taxation as set forth in the preceding paragraph and the Securities are held in a custodial account with a German Paying Agent withholding tax is levied as explained above at "Tax Residents". For non-residents of Germany such withholding tax is in general a final taxation. The withholding tax may be refunded based on an assessment to tax or under an applicable tax treaty.

Inheritance and Gift Tax

No inheritance or gift taxes with respect to any Securities will arise under the laws of Germany, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a resident of Germany and such Securities are not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in Germany. Exceptions from this rule apply to certain German expatriates.

Other Taxes

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Securities. Currently, net assets tax is not levied in Germany.

EU Savings Tax Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from 1 July 2005, 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. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise, as Belgium did with effect from 1 January 2010) 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 agreed to adopt similar measures (a withholding system in the case of Switzerland) with effect from the same date.

By legislative regulations dated 26 January 2004 the Federal Government enacted provisions implementing the Directive into German law. These provisions apply from 1 July 2005.

7. ITALIAN TAXATION

The following is a general discussion of certain Italian tax consequences of the acquisition, holding and disposing of Securities. However, each series of Securities may be subject to a different tax treatment due to the specific terms of such Series as set out in the respective Final Terms. The following summary, therefore, 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 consider any specific facts or circumstances that may apply to a particular investor.

This summary regarding taxation is based on the laws of Italy currently in force and as applied on the date of this Base Prospectus, which are subject to any changes in law occurring after such date, which changes

could be made on a retroactive basis. Prospective Holders of Securities are advised to consult their own tax advisers concerning the overall tax consequences of their interest in the Securities.

TAXATION OF NOTES

- (1) Payments of interest and other proceeds on the Notes are subject to different tax treatments based on whether the Notes, based on their specific characteristics as set out in the Final Terms, qualify as:
- (a) bonds or securities similar to bonds; or
 - (b) atypical securities.

A.1 Notes qualifying as bonds or securities similar to bonds

Legislative Decree No. 239 of 1 April 1996, as amended (the "**Decree 239**"), regulates the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price, hereinafter collectively referred to as "**Interest**") from notes issued, inter alia, by non-Italian resident entities, falling within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*).

For this purpose, securities similar to bonds are securities that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value and that do not allow any direct or indirect participation to the management of the issuer.

Resident Noteholders

Where an Italian resident Noteholder who is the beneficial owner of the Notes is (i) an individual not engaged in a business activity to which the Notes are effectively connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, Interest payments relating to the Notes are subject to a tax, referred to as *imposta sostitutiva*, levied at the rate of 20 per cent. (either when the interest is paid by the Issuer, or when payment thereof is obtained by the Noteholder on a sale of the relevant Notes). The *imposta sostitutiva* may not be recovered by the Noteholder as a deduction from the income tax due.

In case the Notes are held by a Noteholder engaged in a business activity and are effectively connected with same business activity, the interest will be subject to the *imposta sostitutiva* and will be included in the relevant income tax return. As a consequence, the interest will be subject to the ordinary income tax and the *imposta sostitutiva* may be recovered as a deduction from the income tax due.

Pursuant to Decree 239, *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* ("**SIMs**"), fiduciary companies, *società di gestione del risparmio* ("**SGRs**") stock exchange agents and other entities identified by the relevant Decrees of the Ministry of Finance (the "**Intermediaries**").

An Intermediary must (i) be resident in Italy or be a permanent establishment in Italy of a non-Italian resident financial intermediary and (ii) intervene, in any way, in the collection of Interest or in the transfer of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying Interest to a Noteholder.

The *imposta sostitutiva* does not apply, inter alia, to the following subjects, to the extent that the Notes and the relevant Coupons are deposited in a timely manner, directly or indirectly, with an Intermediary:

- (a) Corporate Noteholders – Where an Italian resident Noteholder is a corporation or a similar commercial entity (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected), interest accrued on the Notes must be included in: (i) the relevant Noteholder's yearly taxable income for corporate income tax purposes ("**IRES**"), applying at a rate equal to 27.5 per cent.; and (ii) in certain circumstances, depending on the "status" of the Noteholder, also in its net value of production for the purposes of regional tax on productive activities ("**IRAP**"). Such interest is therefore subject to general Italian corporate taxation according to the ordinary rules;
- (b) Investment funds – Italian investment funds (which includes *Fondo Comune d'Investimento*, or SICAV, the "**Funds**") from 1 July 2011, are no longer taxed on the increase in value of the managed assets accrued at the end of each year as they were in the past. However, the investors of such Funds shall be subject to a withholding tax in the amount of 20%, levied by the managing company. Such withholding shall be levied on a distribution basis and no longer on an accrual basis and it is applicable both on the proceeds distributed during the life of the fund, and on the amount due in case of closure or redemption of the funds (including in both cases the Interest on the Notes);
- (c) Pension funds – Pension funds (subject to the tax regime set forth by article 17 of the Legislative Decree No. 252 of 5 December 2005, the "**Pension Funds**") are subject to an 11 per cent. substitutive tax on their annual net accrued result. Interest on the Notes is included in the calculation of said annual net accrued result; and
- (d) Real estate investment funds (a "**REIT**") – Under the current regime provided by Law Decree No. 351 of 25 September 2001, converted into law with amendments by Law No. 410 of 23 November 2001, and pursuant to the new rules introduced by Decree Law No. 70 of 13 May 2011, REITs are not subject to any *imposta sostitutiva* at the fund level and any Interest accrued on Notes held by a REIT is not taxable in the hands of the same REIT. However a 20% withholding tax may be applied on distributions made by the REIT, directly on the investors depending on the nature of the relevant investor.

Non-Resident Noteholders

Interest payments relating to Notes received by non-resident beneficial owners (not having a permanent establishment in Italy to which the Notes are effectively connected) are generally not subject to tax in Italy, provided that: (i) the beneficial owners are resident, for tax purposes, in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information, and (ii) all the requirements and procedures set forth in Decree 239 and in the relevant application rules, as subsequently amended, in order to benefit from the exemption from *imposta sostitutiva* are met or complied with in a timely manner.

Decree 239 also provides for additional exemptions from the *imposta sostitutiva* for payments of Interest in respect of the Notes made to (i) international organisations established in accordance with international agreements ratified in Italy, (ii) institutional investors which are fiscally resident in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information and (iii) Central Banks or entities managing also official state reserves.

B. Notes qualifying as atypical securities

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli simili alle obbligazioni*) are subject to a withholding tax, levied at the rate of 20 per cent. For this purpose, debentures similar to bonds are securities that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value. The mentioned withholding tax applies to an Italian resident Noteholder which is: (i) an individual not engaged in a business activity to which the Notes are effectively connected; (ii) a non-commercial partnership; (iii) a non-commercial private or public institution; (iv) an investor exempt from Italian corporate income tax; (v) a Pension Fund; and (vi) a Fund.

Interest payments on Notes made to *Italian resident Noteholders* which are (i) companies or similar commercial entities (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected), and (ii) commercial partnerships, are not subject to the aforementioned 20 per cent. withholding tax, but the Interest shall also be included in their aggregate income subject to IRES. The 20 per cent. withholding tax may be recovered as a deduction from the income tax due. In certain cases, such Interest may also be included in the taxable net value of production for IRAP purpose.

Interest payments relating to Notes received by *non-Italian resident Noteholders* (not having a permanent establishment in Italy to which the Notes are effectively connected) are generally subject to a withholding tax at 20 per cent. Such withholding may be reduced according to any relevant double tax treaties, if applicable.

- (2) Capital gains arising from the sale or transfer of the Notes are subject to different tax regimes based on the residence status of their Holders.

Resident Noteholders

Pursuant to Legislative Decree No. 461 of 21 November 1997, as amended, a 20 per cent. capital gains tax (the "**CGT**") is applicable to capital gains realised on any sale or transfer of the Notes for consideration or on redemption thereof by Italian resident individuals (not engaged in a business activity to which the Notes are effectively connected), regardless of whether the Notes are held outside of Italy.

For the purposes of determining the taxable capital gain, any interest on the Notes accrued and unpaid up to the time of the purchase and the sale of the Notes must be deducted from the purchase price and the sale price, respectively.

Should the Notes qualify as atypical securities, the relevant capital gain realized upon sale or transfer of the same should in principle be subject to a 20 CGT, however, based on a very restrictive interpretation, the aforesaid capital gains could be subject to a 20 per cent. final withholding tax.

Taxpayers can opt for certain alternative regimes in order to pay the CGT.

In addition, please note the following:

- (a) Corporate investors (including banks and insurance companies): capital gains realised on the Notes by Italian resident corporate entities (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected) form part of their aggregate income subject to IRES. In certain cases, capital gains may also be included in the taxable net value of production of such entities for IRAP purposes. The capital gains are calculated as the difference between the sale price and the relevant tax basis of the Notes. Upon fulfilment of certain conditions, the gains may be taxed in equal instalments over up to five fiscal years for IRES purposes.

- (b) Funds – Capital gains realised by the Funds on the Notes are subject to a 20 per cent. withholding tax levied by the managing company. Such withholding shall be levied on a distribution basis and no longer on an accrual basis and it is applicable both on the proceeds distributed during the life of the fund, and on the amount due in case of closure or redemption of the funds (including in both cases, any capital gains on the Notes).
- (c) Pension Funds – Capital gains realised by Pension Funds on the Notes contribute to determining the annual net accrued result of the same Pension Funds, which is subject to an 11 per cent. substitutive tax.
- (d) Real Estate Investment Funds – Capital gains realised by Italian Real Estate Investment Funds on the Notes are generally not taxable at the level of the same Real Estate Investment Funds. However, a 20 per cent. withholding tax may be applied on distributions made by the REIT, directly on the investors, depending on the nature of the relevant investor.

Non-Resident Noteholders

Capital gains realised by non-resident Noteholders (not having permanent establishment in Italy to which the Notes are effectively connected) on the Notes are not subject to tax in Italy, provided that the Notes (i) are traded on regulated markets, or (ii) if not traded on regulated markets, are held outside Italy.

TAXATION OF WARRANTS AND CERTIFICATES

A. Securitised derivatives

Warrants, Certificates and other securitised derivatives are subject to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident Warrantholder or Certificateholder is (i) an individual not engaged in an entrepreneurial activity to which the Securities are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains realised upon sale or exercise of the Securities are subject to a 20 per cent. substitute tax (*imposta sostitutiva*). The recipient may opt for three different taxation criteria:

- (a) Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for 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 cumulative basis, on all capital gains, net of any incurred 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. Carried forward capital losses in excess of capital gains realised prior to 1 January 2012 may be used against capital gains realised in any of the four succeeding tax years limited to 62.5 per cent. of their amount.
- (b) 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). 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 election for the *risparmio amministrato* regime being timely made in writing by the relevant Warrantholder or Certificateholder. 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 Warrantholder or Certificateholder or using funds provided by the Warrantholder or Certificateholder 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. Capital losses realised prior to 1 January 2012 may be carried forward against capital gains realised after such date within the same securities management, according to the same conditions above described, limited to 62.5 per cent. of their amount. Under the *risparmio amministrato* regime, the Warrantholder or Certificateholder is not required to declare the capital gains in the annual tax return.

- (c) Any capital gains realised 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 opted for the so-called "*risparmio gestito*" regime 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 20 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this *risparmio gestito* regime, any decrease in value 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. Any decrease in value of the managed assets accrued until 31 December 2011 may be carried forward against increase in value of the managed assets accrued after such date limited to 62.5 per cent. of their amount. Under the *risparmio gestito* regime, the Warrantholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Warrantholder or Certificateholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, income arising from the Warrants or Certificates will not be subject to *imposta sostitutiva*, but must be included in the relevant Warrantholder's or Certificateholder's income tax return and are therefore subject to Italian corporate tax.

Income realised by non-Italian resident Warrantholders or Certificateholders is not subject to Italian taxation, provided that the Warrants or Certificates are held outside of Italy.

B. Atypical securities

Securities that cannot be qualified as securitised derivatives under Article 67 of *Testo Unico Imposte sui Redditi* (Presidential Decree No. 917 of 22 December 1986) and, under a different interpretation of current tax law, Certificates could be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Certificates may be subject to an Italian withholding tax, levied at the rate of 20 per cent.

The withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Certificates and to an Italian resident holder of the Certificates 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 Certificates.

PAYMENTS MADE BY A NON RESIDENT GUARANTOR (IF APPLICABLE)

With respect to payments made to Italian resident Securityholders by a non-Italian resident Guarantor (if applicable), in accordance with one interpretation of Italian tax law, any such payment made by the non-

Italian resident Guarantor could be treated, in certain circumstances, as a payment made by the relevant Issuer and would thus be subject to the tax regime described in the previous paragraphs.

STAMP DUTY

Pursuant to Article 19(1) of Decree No. 201 of 6 December 2011 ("**Decree 201**"), a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients for the securities deposited therewith. The stamp duty applies at a rate of 0.1 per cent. for year 2012 and at 0.15 per cent. for subsequent years; this stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the securities held. The stamp duty can be no lower than EUR 34.20 and, for the year 2012 only, it cannot exceed EUR 1,200.

Under a preliminary interpretation of the law, it may be understood that the stamp duty applies both to Italian resident and non-Italian resident Holders of Securities, to the extent that the Securities are held with an Italian based financial intermediary.

WEALTH TAX ON SECURITIES DEPOSITED ABROAD

Pursuant to Article 19(18) of Decree 201, Italian resident individuals holding the Securities outside Italian territory are required to pay an additional tax at a rate of 0.1 per cent. for 2011 and 2012, and at 0.15 per cent. for subsequent years.

This tax is calculated on the market value of the Securities at the end of the relevant year or, if no market value figure is available, the nominal value or the redemption value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the state where the financial assets are held (up to an amount equal to the Italian wealth tax due).

TAX MONITORING

Pursuant to Law Decree No. 167 of 28 June 1990, converted by Law No. 227 of 4 August, 1990, as amended, individuals resident in Italy who, at the end of the fiscal year, hold investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return). Such obligation is not provided if, *inter alia*, each of the overall value of the foreign investments or financial activities held at the end of the fiscal year, and the overall value of the related transfers carried out during the relevant fiscal year, does not exceed EUR 10,000.

TRANSFER TAXES

Article 37 of Law Decree No 248 of 31 December 2007, 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 notarised deeds are subject to fixed registration tax at rate of EUR 168; (ii) private deeds are subject to registration tax only if a case of use occurs or in case of voluntary registration.

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:

- (a) 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 EUR1,000,000;
- (b) transfers in favour of relatives to the fourth degree or 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
- (c) 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.

EU DIRECTIVE ON THE TAXATION OF SAVINGS INCOME

Under EC Council Directive 2003/48/EC 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. Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April, 2005. Under such Decree, 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."

BELGIAN TAXATION

Prospective Holders of securities are advised to consult their own advisers as to the tax consequences of the purchase, ownership and disposal of securities, including the effect of any taxes under Belgian law. The present overview is only general information, which is not intended to deal with specific aspects of an investment in Notes, Warrants and/or Certificates. Potential investors are recommended to consult their tax adviser on basis of their own particular situation.

Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from 1 July 2005, 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. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise, as Belgium already did with effect from 1 January 2010) 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 adopted similar measures (a withholding system in the case of Switzerland) with effect from the same date.

If Luxembourg applies a withholding tax under the EC Council Directive 2003/48/EC with respect to an interest payment in favour of a Belgian resident individual, the latter can obtain a tax credit in Belgium, provided that he reports the withheld tax in his personal income tax return (see in this respect: Circular letter of 8 July 2005). If the withholding tax exceeds the Belgian taxpayer's tax liability, it is reimbursable.

Belgian income taxes

A. Notes

The following summary describes the principal Belgian tax considerations with respect to the holding of Notes acquired by an investor in Belgium.

This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold and to dispose of the Notes. In some cases, different rules can be applicable. Furthermore, the tax rules can be amended in the future, possibly implemented with retroactive effect, and the interpretation of the tax rules may change.

Belgian resident individual private investors

The following tax treatment applies to individual Belgian residents, subject to Belgian personal income tax (*Personenbelasting/Impôt des personnes physiques*). Other rules can however apply in special situations: when Notes are linked to the private investor's professional activity or when the taxpayer's transactions with respect to the Notes fall outside the scope of the normal management of their private estate.

Generally speaking, any amount paid by the Issuer in excess of the issuance price of the Notes at the maturity date or at early redemption, is taxable as interest.

Payments of interest on the Notes made through a paying agent in Belgium will in principle be subject to a 21 per cent. withholding tax in Belgium. However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent, the interest received (after deduction of any foreign withholding tax) has to be declared in the personal income tax return and will be taxed at the rate of 21 per cent. As a general rule, all dividend and interest income collected as of 2012 has to be reported in the income tax return, regardless of whether the 21 per cent. withholding tax was withheld or not.

With respect to interest received by Belgian resident individuals as of 2012, an additional tax of 4 per cent. applies to the extent that the total amount of interest and dividends collected on a yearly basis exceeds €20,020 (the precise amount of the threshold is subject to adjustment on a yearly basis). However, to the extent that the additional tax of 4 per cent. is withheld, the individual taxpayer is entitled to refrain from reporting the interest income in its personal income tax return.

If the Notes qualify as fixed income securities in the meaning of article 2, § 4 Belgian Income Tax Code, the interest income of the Notes is taxable in the hands of each successive noteholder based upon the duration that they have been holding the Notes. This implies that the Noteholders cannot avoid taxation by selling the Note before maturity or before redemption by the Issuer. According to the tax administration, the relevant taxable event occurs at the moment of sale if the Noteholder transfers the Note to someone other than the Issuer. However, the viewpoint of the tax administration is criticised by the majority of the commentators and it has already been overruled in a decision of the Court of Antwerp (decision of 12 March 2002). According to the majority of authors and the Court of Antwerp, the taxable event can only occur when the Note is repaid to the final Noteholder by the Issuer.

Please be aware that where the Noteholder does not have any guarantee that the principal will be repaid and is not entitled to a guaranteed return either (eg, this may be the case with Underlying Reference Linked Notes if both the amount of principal and interest payable are dependent on the price or changes in the price of units or shares in a fund, shares or an index etc), it is arguable that such Notes do not qualify as fixed income securities.

Capital gains realised on the sale of the Notes, except for the share of such amount which represents accrued interest in the case of fixed income Securities, are in principle tax exempt. Capital gains will however incur taxation at 33 per cent. if they are realised in a way which exceeds “the normal management

of one's private estate". Taxation of capital gains will also occur if the Notes are held by the investor as assets of his professional activity (taxation at the marginal rate). If the Notes are repurchased (whether or not on the maturity date) by the Issuer, the capital gain is taxable as interest at a rate of 21 per cent. and may also be subject to the additional tax of 4 per cent. as described above.

Tax treatment in the hands of Belgian corporations

Corporate Noteholders who are subject to Belgian Corporate Income Tax (*Vennootschapsbelasting/Impôt des sociétés*) and who do not qualify for a special corporate tax regime (e.g. Sicavs, pension funds etc.) are subject to the following tax treatment with respect to the Notes.

Interest derived by Belgian corporate investors on the Notes and capital gains on the Notes will be subject to Belgian corporate income tax of 33.99 per cent. Realised capital losses are in principle deductible. Moreover, the tax deductibility of unrealized capital losses can be argued provided that the Noteholder (i) does not have any guarantee that the invested amount will be recovered and (ii) does not have any guaranteed return either (eg, this situation may occur with Underlying Reference Linked Notes if both the amount of principal and interest payable are dependent on the price or changes in the price of units or shares in a fund, shares or an index etc).

Interest payments to a Belgian company made through a paying agent in Belgium may qualify for exemption from withholding tax provided the Note qualifies as similar to a bond loan and provided a certificate is delivered (articles 108 and 117, § 12 R.D./I.T.C.). When Belgian withholding tax was levied, such withholding tax is creditable against the corporate income tax due and reimbursable provided the legal requirements for a credit being made are met.

Other legal entities

Legal entities who are Belgian residents for tax purposes and who are subject to Belgian tax on legal entities (*Rechtspersonenbelasting/impôt des personnes morales*) are subject to the following tax treatment with respect to the Notes.

Any amount paid by the Issuer in excess of the issue price of the Notes at the maturity date or subsequent to early redemption is taxable as interest.

Payments of interest on the Notes made through a paying agent in Belgium will in principle be subject to a 21 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest. If the interest is paid outside Belgium without the intervention of a Belgian paying agent and without the deduction of Belgian withholding tax, the legal entity itself is responsible for the payment of 21 per cent. withholding tax.

If the Notes qualify as fixed income securities in the meaning of article 2, § 4 I.T.C., Belgian legal entities are taxable on the proportion of accrued interest which corresponds to the interest which has accrued during the period in which the Notes are held in case of a realisation of the Notes between two interest payment dates or before maturity / repayment by the Issuer.

Capital gains realised on the sale of the Notes are in principle tax exempt, unless the Notes are repurchased by the Issuer (in which case the capital gain is taxable as interest) and except for the proportion of accrued interest which has accrued during the period in which the Notes are held in the case of fixed income securities.

Special tax regimes

Under Belgian tax law, a number of entities such as qualifying pension funds and UCITS enjoy a special tax regime, whereby income out of investments (such as interest income and capital gains) is not taken into account for determining the taxable basis.

Non-resident investors

The interest income on the Notes paid through a Belgian intermediary will in principle be subject to a 21 per cent. withholding tax subject to such relief as may be available under applicable domestic and tax treaty provisions. However, an exemption is available under Belgian domestic provisions in case of payment of interest on the Notes through a (financial) intermediary established in Belgium, provided that such (financial) intermediary qualifies as a recognized credit institution, exchange company or clearing or settlement institution and pays the interest to non-resident beneficial owners directly, on the condition that such non-resident beneficial owner certifies that he or she (i) is a non-resident for Belgian income tax purposes, (ii) has not held the Notes as part of a taxable business activity in Belgium, and (iii) is the legal owner, or holds the usufruct of the Notes (art 230, 2^o, b) ITC/92).

Moreover, the following exemptions apply in particular circumstances:

- i) An exemption is available under Belgian domestic provisions in case of payment of interest on the Notes through a (financial) intermediary established in Belgium, provided that such (financial) intermediary qualifies as a recognized credit institution, stock exchange company or clearing or settlement institution and pays the interest to certain qualifying credit institutions, financial intermediaries, clearing and settlement institutions or portfolio management companies established outside of Belgium, referred to in Article 261, par. 4 ITC/92).
- ii) A second exemption is available under Belgian domestic provisions in case of payment of interest on the Notes through a (financial) intermediary established in Belgium, provided that such (financial) intermediary qualifies as a recognized credit institution, stock exchange company or clearing or settlement institution and pays the interest to non-qualifying intermediaries, on the condition that such non-qualifying intermediary certifies that the beneficial owners (i) are non-residents for Belgian income tax purposes, (ii) have not held the Notes as part of a taxable business activity in Belgium, and (iii) are the legal owners, or hold the usufruct of the Notes (art 264bis ITC/92).
- iii) Depending on facts and circumstances, specific exemptions may apply on basis of the Royal Decree implementing the Income Tax Code.

Non-resident companies or professionals who use the debt instruments to exercise a professional activity in Belgium through a permanent establishment are subject to the same tax rules as the Belgian resident companies or Belgian professionals.

B. Warrants

The following summary describes the principal Belgian withholding tax considerations with respect to the holding of Warrants obtained by an investor following this offer in Belgium.

This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold and to dispose of the Warrants. In some cases, different rules can be applicable. Furthermore, the tax rules can be amended in the future, possibly with retroactive effect, and the interpretation of the tax rules may change.

Belgian resident individual investor

The following tax treatment applies to individual Belgian residents, subject to Belgian personal income tax (*Personenbelasting/Impôt des personnes physiques*). Other rules can however apply in special situations, e.g. when Warrants are linked to a private investor's professional activity.

There are no income taxes due on the gains received by a Warrantholder through the sale of Warrants or the exercise of Warrants, provided that (a) the Warrants or assets qualify as portfolio income, and (b) the gains were made within the normal management of the investor's estate (as set forth in article 90, 1° Belgian Income Tax Code).

If one or both of the aforementioned conditions are not met, the situation is the following (a) gains on a sale of warrants are taxable at the rate of 33 per cent. (to be increased with communal surcharges) and (b) gains on the exercise of a Warrant may be taxable (e.g. in the case of a Put Warrant) at the rate of 33 per cent (to be increased with communal surcharges).

The tax implications of the holding or sale of assets acquired through the exercise of Warrants depend on the nature of those assets.

Tax treatment in the hands of Belgian corporations

The gains received by Warrantholders through the sale of the Warrants are subject to corporate income tax. The losses on the Warrants are in principle tax deductible.

The premium paid by a Warrantholder in respect of a Call Warrant is recorded on the balance sheet of the corporate investor. If the investor acquires shares subsequent to the exercise of a Warrant, the Warrant premium is added to the Strike Price for determining the value of the acquired shares.

The tax implications of (a) gains obtained by Warrantholders subsequent to the sale of assets which were acquired through the exercise of a Put Warrant and (b) gains subsequent to the exercise of a Put Warrant, depend on the nature of the asset.

Other legal entities

Legal entities who are Belgian residents for tax purposes and who are subject to Belgian tax on legal entities (*Rechtspersonenbelasting/impôt des personnes morales*) are not taxed on gains obtained through the sale of Warrants or the exercise of Warrants.

The tax implications of holding or sale of assets acquired through the exercise of Warrants depend on the nature of those assets.

Important note

Depending on facts and circumstances (e.g. in situations where a Warrant is cash settled), a Warrant may trigger taxable interest should the Warrant itself be (re-)characterised as some kind of a receivable. In such case, the Warrantholder may be taxed on any income derived from the Warrant according to the rules applicable to Notes.

Such (re-)characterization has in particular important fiscal consequences in the hands of a Belgian resident individual shareholder and in the hands of "other legal entities", as it may imply that any income derived from the Warrant is taxable at interest at the rate of 15 per cent.

C. Certificates

The following summary describes the principal Belgian tax considerations with respect to the holding of Certificates obtained by an investor following this offer in Belgium.

This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold and to dispose of the Certificates. Moreover, the Belgian tax regime described below only applies if the Certificates can be regarded to qualify as claim rights for Belgian tax purposes. Depending on the specific characteristics of the Certificate, different rules may apply. Furthermore, the tax rules can be amended in the future, possibly implemented with retroactive effect, and the interpretation of the tax rules may change.

This summary does not describe the tax consequences for a holder of Certificates that are redeemable in exchange for, or convertible into shares, of the exercise, settlement or redemption of such Certificates and/or any tax consequences after the moment of exercise, settlement or redemption. Each prospective holder of Certificates should consult a professional adviser with respect to the tax consequences of an investment in the Certificates, taking into account the influence of any applicable rules.

Belgian resident individual investor

Individuals who are Certificate holders and who are Belgian residents for tax purposes, i.e. who are subject to Belgian personal income tax ("*personenbelasting*"; "*impôt des personnes physiques*"), are subject to the following tax treatment with respect to the Certificates in Belgium.

Other rules may be applicable in special situations, in particular when individuals resident in Belgium acquire the Certificates for professional purposes or when their transactions with respect to the Certificates fall outside the scope of the normal management of their own private estate, or should the Certificates not qualify as "portfolio values".

Payments of interest on the Certificates made through a paying agent in Belgium will in principle be subject to a 21 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). For Belgian tax purposes, interest includes any amount paid by the Issuer in excess of the issuance price of the Certificates (e.g. at the redemption date or at early redemption). Moreover, an individual can opt to submit the interest to an additional levy of 4 per cent. which shall also be withheld from the interest payment. For individuals who opt to submit the interest on the Certificates to the additional levy of 4 per cent., the taxes withheld at source fully discharge them from their personal income tax liability with respect to these interest payments. This means that they do not have to report the interest obtained on the Certificates in their personal income tax return.

For individuals who do not opt to submit the interest on the Certificates to an additional levy of 4 per cent., the 21 per cent. withholding tax does not fully discharge them from their personal income tax liability with respect to these interest payments. In such case, the interest amount on the Certificates will be communicated to a special contact center operated by the competent service of the Belgian tax administration who may exchange certain information to the Belgian tax authorities, and the individual will need to declare the interest amount in his or her personal income tax return. The interest amount so declared will normally be taxed at the interest withholding tax rate of 21 per cent. plus local surcharges (however, the Belgian federal government is currently preparing a draft bill which, if adopted, would result in an exemption from these surcharges) or at the progressive personal income tax rates taking into account the taxpayer's other declared income (whichever is lower). If the gross amount of all interest and dividend income declared and/or communicated to the contact center, exceeds €20,020 on a yearly basis (threshold applicable for assessment year 2013, income year 2012), the interest declared on the Certificates exceeding this threshold will be subject to an additional tax of 4 per cent. in the personal income tax assessment. Certain specific categories of interest and dividends are exempt and not taken into consideration in order to calculate whether the threshold is exceeded. Some other categories of interest and dividends are exempt, but are taken into consideration in order to calculate whether the threshold is exceeded.

Capital gains realised on the sale of the Certificates to a Party other than the Issuer, except in respect of that part of the sale price attributable to the pro rata interest component, are in principle tax exempt, provided

that (i) the Certificates qualify as “portfolio values”, and (ii) the capital gain results from a normal management of one’s private estate. Capital losses on the Certificates are generally not tax deductible.

Tax treatment in the hands of Belgian corporations

Corporations or legal entities subject to Belgian corporate tax and who qualify as Belgian residents for tax purposes are subject to the following tax treatment with respect to the Certificates in Belgium.

Interest received by Belgian corporate investors on the Certificates and capital gains realised on the Certificates will be subject to Belgian corporate income tax of 33.99 per cent. Realised capital losses are in principle deductible. Interest payments on the Certificates made through a paying agent in Belgium may under certain circumstances qualify for exemption from withholding tax. The withholding tax that has been levied is creditable in accordance with the legal provisions.

Other legal entities

Non-corporate legal entities who are Belgian residents for tax purposes and who are subject to Belgian tax on legal entities ("*Rechtspersonenbelasting/impôt des personnes morales*") are subject to the following tax treatment with respect to the Certificates in Belgium.

Payments of interest on the Certificates made through a paying agent in Belgium will in principle be subject to a 21 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest.

However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent and without the deduction of Belgian withholding tax, the legal entity itself is responsible for the deduction and payment of the 21 per cent. withholding tax.

Capital gains realised on the sale of the Certificates to a party other than the Issuer, except in respect of that part of the sale price attributable to the pro rata interest component, are in principle tax exempt.

Capital losses on the Certificates are generally not tax deductible.

Tax on Stock Exchange Transactions

The sale and purchase of Notes on the secondary market through a professional Belgian intermediary are subject to 0.09 per cent. tax on stock exchange transactions in Belgium. This tax applies to both the acquisition and the sale of the Notes. It is capped at €650 per transaction and per party.

However, with respect to Notes whereby the Noteholder does not have any guarantee that the principal will be recovered (this may e.g. be the case with fund etc. linked notes), it is questionable that such Notes can be regarded as "bonds" for the application of Belgian tax law. For such instruments, one should consider that the applicable rate is 0.22 per cent..

The sale and purchase on the secondary market of Warrants through a professional Belgian intermediary is subject to a 0.22 per cent. tax on stock exchange transactions on the price, capped at € 650 per transaction and per party.

The sale and purchase on the secondary market of Certificates through a professional Belgian intermediary will be either subject to tax on stock exchange transactions at the rate of 0.22 per cent. (capped at €650) or 0.09 per cent. (capped at €650) depending on the characteristics of the Certificate.

A draft bill is currently pending before Belgian Parliament aiming to amend upwards the rates for the Tax on Stock Exchange Transactions. In this respect, the rate of 0.22 per cent. currently capped at €650 would

be increased to 0.25 per cent. and be capped at €740. The new rate would enter into force as of the first day of the second month following the publication in the Belgian State Gazette, until 31 December 2014.

The acquisition of Securities pursuant to their issuance is not subject to the tax.

Transactions carried out by a number of investors for their own account are exempt:

- intermediaries as mentioned in article 2, 9° and 10° of the Law of 2 August 2002 on the supervision of the financial sector and financial services;
- insurance companies as mentioned in article 2, §1 of the Law of 9 July 1975 on the supervision of insurance companies;
- pension funds (*instellingen voor bedrijfspensioenvoorziening / institutions de retraite professionnelle*) as mentioned in article 2, 1° of the Act of 27 October 2006 on the supervision of pension funds;
- UCITS; and
- non-residents (subject to an affidavit of non-residency).

Tax on the physical delivery of bearer securities

Since Belgian legislation provides a ban on the physical delivery of bearer securities since January 1st 2008 (article 4 of the Act of 14 December 2005), the tax of 0.60 per cent. on the physical delivery of bearer securities in Belgium will not be applicable.

Gift tax and inheritance tax

Belgian tax legislation provides both gift tax and inheritance tax.

The rates vary depending on the Region in which the donator or the deceased has/had his residence (Brussels Region, Flemish Region, Walloon Region).

SUBSCRIPTION, SALE AND TRANSFER RESTRICTIONS

The Dealers have, in a Dealer agreement (the "**Dealer Agreement**", which expression includes the same as it may be updated or supplemented from time to time) dated 6 February 2009 as most recently amended and restated on 29 June 2012, agreed with the Issuer a basis upon which they (or any one of them) may from time to time agree to purchase Securities. Any such agreement will extend to those matters stated under "Form of the Notes", in the Terms and Conditions of the Notes, in the Terms and Conditions of the Warrants and in the Terms and Conditions of the Certificates above. In the Dealer Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Securities under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

The following selling restrictions may be modified by the Issuer and the relevant Dealer(s) following a change in the relevant law, regulation or directive and in certain other circumstances as may be agreed between the Issuer and the relevant Dealer(s). Any such modification will be set out in the Final Terms and (if applicable) the syndication agreement in respect of the Series (and/or Tranche, as the case may be) to which it is related or in a Supplement to this Base Prospectus.

Selling Restrictions: Jurisdictions outside the European Economic Area

United States

Selling Restrictions

Neither the Securities, the Guarantee nor any Entitlement to be delivered upon the exercise of Physical Delivery Warrants have been or will be registered under the Securities Act or under any state securities laws, and may not be offered, sold, delivered or exercised within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Trading in the Securities has not been approved by the Commodity Futures Trading Commission under the United States Commodity Exchange Act, as amended.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver such Securities (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer of all Securities of the Series (and/or Tranche, as the case may be) of which such Securities are a part only in accordance with Rule 903 of Regulation S under the Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulations S under the Securities Act.

In this regard, with respect to Notes represented by temporary global Notes and permanent global Notes, each Dealer and each other Dealer or purchaser (as the case may be) has represented and agreed, and each additional Dealer appointed under the Programme will be required to represent and agree, that in addition to the relevant U.S. securities selling restrictions set forth herein:

- (a) except to the extent permitted under U.S. Treas. Reg. §1.163 5(c)(2)(i)(D) or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code (the "**TEFRA D Rules**"), (x) it has not offered or sold, and during the restricted period it will not offer

or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person and (y) such Dealer has not delivered and agrees that it will not deliver within the United States or its possessions definitive Notes in bearer form that will be sold during the restricted period;

- (b) it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that Notes in bearer form may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person (except to the extent permitted under the TEFRA D Rules);
- (c) if it is a United States person, it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance, and if it retains Notes in bearer form for its own account, it will do so in accordance with the requirements of the TEFRA D Rules;
- (d) with respect to each affiliate or distributor that acquires Notes in bearer form from the Dealer for the purpose of offering or selling such Notes during the restricted period, the Dealer either repeats and confirms the representations and agreements contained in subclauses (a), (b), and (c) above on such affiliate's or distributor's behalf or agrees that it will obtain from such affiliate or distributor for the benefit of Issuer the representations and agreements contained in such subclauses; and
- (e) it has not and agrees that it will not enter into any written contract (other than confirmation or other notice of the transaction) pursuant to which any other party to the contract (other than one of its affiliates or another Dealer) has offered or sold, or during the restricted period will offer or sell, any Notes in bearer form except where pursuant to the contract the Dealer has obtained or will obtain from that party, for the benefit of Issuer and the Dealer, the representations contained in, and that party's agreement to comply with, the provisions of subclauses (a), (b), (c) and (d).

Terms used in this section shall have the meanings given to them by the Internal Revenue Code and the regulations thereunder, including the TEFRA D Rules.

On March 18, 2010, the Hiring Incentives to Restore Employment Act (the "**HIRE Act**") was signed into law by President Barack Obama, which, among things, repeals certain provisions of the TEFRA D Rules that may be relied upon with respect to bearer debt instruments that are originally issued after March 18, 2012. Bearer notes that are originally issued on or before March 18, 2012, however, are not subject to this change in law. Notes which are represented by temporary global Notes and permanent global Notes issued after 18 March 2012 are expected to be issued in compliance with requirements existing at the time of such issue which are generally expected to be identical to those contained in the TEFRA D Rules with the intention that such Notes will constitute "foreign targeted obligations" and will thus be exempt from Section 4701 of the Internal Revenue Code of the United States under the HIRE Act.

Until 40 days after the commencement of the offering of any Series of Securities, an offer or sale of such Securities within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Each issuance of Securities, whether linked to an Underlying Reference, Physical Delivery Notes or Physical Delivery Warrants or otherwise, as the case may be, shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Securities, which additional selling restrictions shall be set out in the applicable Final Terms.

Transfer Restrictions

Each purchaser of Notes, Warrants and Certificates will be deemed to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Regulation S are used herein as defined therein):

- (a) that it is outside the United States and is not a U.S. person;

- (b) in the case of Warrants and Exercisable Certificates, that the Warrants may not be exercised in the United States or by or on behalf of a U.S. person. In addition, a person exercising a Warrant, may be required by the Issuer to deliver additional documents for compliance with Regulation S and the securities laws of the United States, which documents may include, the delivery by such person of either (i) a certificate to the effect that the person exercising the Warrant is not a U.S. person and the Warrant is not being exercised on behalf of a U.S. person or (ii) a written opinion of counsel to the effect that the Warrant and the securities delivered upon exercise thereof have been registered under the Securities Act or are exempt from registration thereunder;
- (c) that the Securities are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Securities have not been and will not be registered under the Securities Act or any other applicable U.S. state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (d) that Securities offered outside the United States in reliance on Regulation S will be represented by one or more, in the case of Notes, Registered Global Notes or, in the case of Warrants, Registered Global Warrants or, in the case of Certificates, Registered Global Certificates;
- (e) that if it should resell or otherwise transfer the Securities prior to the expiration of the distribution compliance period (defined as 40 days after the completion of the distribution of the Securities, as determined and certified by the relevant Dealer), it will do so only (a) outside the United States in compliance with Rule 903 or 904 under the Securities Act or (b) in accordance with all applicable U.S. State and Federal securities laws; and it acknowledges that the global Notes, Global Warrants and Global Certificates will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THE [NOTES REPRESENTED BY THIS SECURITY]/[WARRANTS REPRESENTED BY THIS SECURITY AND SECURITIES TO BE ISSUED UPON ITS EXERCISE]/[CERTIFICATES REPRESENTED BY THIS SECURITY] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY OTHER APPLICABLE US STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE [OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS]/[OFFERED, SOLD OR EXERCISED WITHIN THE UNITED STATES OR TO, BY, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS] EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE [NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART]/[WARRANTS OF THE TRANCHE OF WHICH THIS WARRANT FORMS PART BUT SHALL CONTINUE TO APPLY IN RESPECT OF THE EXERCISE OF SUCH WARRANT]/[CERTIFICATES OR THE TRANCHE OF WHICH THIS CERTIFICATE FORMS PART]."; and

- (f) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Securities as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Selling Restrictions: Jurisdictions within the European Economic Area

Public Offer Selling Restrictions under the Prospectus Directive

Please note that, in relation to EEA States, additional selling restrictions may apply in respect of any specific EEA State, including those set out below in relation to the United Kingdom, France, Spain, Germany, The Grand Duchy of Luxembourg, The Netherlands, Czech Republic and the Republic of Italy.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme and each other Dealer will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Securities to the public in that Relevant Member State:

- (a) if the final terms in relation to the Securities specify that an offer of those Securities may be made other than pursuant to article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within article 3(2) of the Prospectus Directive,

provided that no such offer of Securities referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to article 3 of the Prospectus Directive or supplement a prospectus pursuant to article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Securities to the public**" in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

United Kingdom

In relation to each Tranche of Securities, each Dealer subscribing for or purchasing such Securities has represented to, warranted and agreed with, and each further Dealer appointed under the Programme and each other Dealer will be required to represent to, warrant and agree with, the Issuer and the Guarantor (if applicable), that:

- (a) in relation to Securities having a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the Financial Services and Market Act 2000 (the "FSMA") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA does not or, in the case of the Guarantor (if applicable), would not, if it was not an authorised person, apply to the Issuer or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

France

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) Offer to the public in France:

it has only made and will only make an offer of Securities to the public (*offre au public de titres financiers*) in France in the period beginning on the date of publication of a prospectus in relation to those Securities which has been approved by the *Autorité des Marchés Financiers* (the "AMF") in France or, where appropriate, when approved in another Member State of the European Economic Area which has implemented the EU Prospectus Directive 2003/71/EC on the date of notification to the AMF in France, and ending at the latest on the date which is 12 months after the date of approval of the Prospectus all in accordance with articles L.411-1, L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF; or

- (ii) Private placement in France:

(in relation to Securities listed on Euronext Paris, in connection with their initial distribution only) it has not offered or sold and will not offer or sell, directly or indirectly, Securities to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the prospectus or any other offering material relating to the Securities, and that such offers, sales and distributions have been and shall only be made in France to (i) providers of investment services relating to portfolio management for the account of third parties (*les personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (ii) qualified investors acting for their own account (*investisseurs qualifiés*), other than individuals, all as defined in, and in accordance with, articles L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*.

If necessary, these selling restrictions will be amended in the applicable Final Terms.

Republic of Italy

The offering of the Securities has not been registered and will not be registered with the Italian Financial Regulatory Commission (*Commissione Nazionale per le Società e la Borsa* or "**CONSOB**") pursuant to Italian securities legislation and, accordingly, the Dealer has represented and agreed, and each further Dealer appointed under the Programme and each other Dealer will be required to represent and agree, that no Securities may be offered, sold, promoted, advertised or delivered, directly or indirectly, to the public in the Republic of Italy, nor may copies of this Base Prospectus, any Final Terms or any other document relating to the Securities be distributed, made available or advertised in the Republic of Italy, except:

- (1) to "**Qualified Investors**" (*Investitori Qualificati*) as referred to in Article 100, paragraph 1(a) of Italian Legislative Decree No. 58 of 24th February, 1998, as amended and implemented from time to time (the Italian Consolidated Financial Act or "**Decree No. 58**"), and in Article 34-ter, paragraph 1(b) of CONSOB Regulation No. 11971 of 14th May, 1999, as amended and implemented from time to time ("**Consob Regulation No. 11971**");
- (2) that each Dealer may offer, sell or deliver Securities or distribute copies of any prospectus relating to such Securities, provided that such prospectus has been approved in another Relevant Member State and notified to CONSOB, in an offer of financial products to the public in the period commencing on the date of publication of such prospectus or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, on the date of the approval of such prospectus, all in accordance with the Prospectus Directive, as implemented in the Republic of Italy under Decree No. 58 and Consob Regulation No. 11971, until 12 months after the date of publication of such prospectus or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, after the date of the approval of such prospectus; or
- (3) in any other circumstances where Decree No. 58 or Consob Regulation No. 11971 sets out an express applicable exemption from compliance with the restrictions on the "**offer of financial products to the public**" in the Republic of Italy.

Any such offer, sale or delivery of the Securities or distribution of copies of this Base Prospectus, any Final Terms or any other document relating to the Securities in the Republic of Italy under (1), (2) or (3) above must be:

- (a) made by an investment firm, bank or financial intermediary - an "authorised entity" (*soggetto abilitato*) - permitted to conduct such activities in the Republic of Italy in accordance with Italian laws and regulations; and
- (b) in compliance with any other applicable laws and regulations or requirement or limitation which may be imposed from time to time by CONSOB or the Bank of Italy or any other Italian competent authority.

Provisions relating to the secondary market in Italy

Investors should also note that, in any subsequent distribution of the Securities in the Republic of Italy, where no exemption under (3) above applies, Article 100-bis of Decree No. 58 affects the transferability of the Securities to the extent that any placing of the Securities is made solely with Qualified Investors and such Securities are then systematically resold to non-Qualified Investors on the secondary market at any time in the 12 months following such placing. Where this occurs, if a prospectus compliant with the Prospectus Directive has not been published, purchasers of Securities who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase null and void and, in addition, to claim damages from any authorised person at whose premises the Securities were purchased, unless an exemption provided for under Decree No. 58 applies.

Spain

Neither the Securities nor this Base Prospectus have been approved or registered in the administrative registries of the Spanish Securities Markets Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Securities may not be offered, sold or re-sold in Spain except in circumstances which do not constitute a public offering of securities in Spain (or which otherwise qualify as a permitted exception) within the meaning of Article 30-bis of the Spanish Securities Market Law of July 28, 1988 (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) as amended and restated (the "**Spanish Securities Market Law**") and Royal Decree 1310/2005 of 4 November (*Real Decreto 1310/2005 de 4 de noviembre*), and supplemental rules enacted thereunder or in substitution thereof from time to time, but the Securities may be offered or sold in Spain in compliance with the requirements of the Spanish Securities Market Law as amended and restated and any regulations developing it or in substitution thereof which may be in force from time to time.

Germany

The Securities are subject to restrictions provided in the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and any other laws of Germany governing the issue, offering and sale of securities. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Securities have not been and will not be offered or sold or publicly promoted or advertised by it in Germany other than in compliance with the provisions of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and of the German Asset Investment Act (*Vermögensanlagengesetz*), or of any other laws applicable in Germany governing the issue, offering and sale of securities.

The Netherlands

A. Applicable to all Securities

Each Dealer represents and agrees that the Securities (or any interest therein) may not, directly or indirectly, be offered, sold, pledged, delivered or transferred in The Netherlands, on their issue date or at any time thereafter and neither the (Base) Prospectus nor any other document in relation to any offering of the Securities (or any interest therein) may be distributed or circulated in The Netherlands:

- (a) other than to professional market parties ("**PMPs**") (*professionele marktpartijen*) within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*: the "**DFSA**") and provided that these parties acquire the relevant Securities for their own account or that of another PMP; and
- (b) as to Securities with a minimum denomination of less than €100,000, other than to qualifying investors ("**QIs**") (*gekwalficeerde beleggers*) within the meaning of the DFSA, and provided that these parties acquire the relevant Securities for their own account or that of another QI, whereby the definition of QI will be aligned with the definition of QI in the Prospectus Directive with effect from 1 July 2012.

B. Specific to Zero Coupon Notes

Notes which qualify as savings certificates as defined in the Savings Certificates Act (*Wet inzake spaarbewijzen*) ("**SCA**") may only be transferred or accepted through the mediation of either the Issuer or an admitted institution of Euronext Amsterdam N.V. with due compliance with the SCA and its implementing regulations, provided that no mediation is required in respect of:

- (a) the initial issue of those Notes to the first holders thereof;
- (b) any transfer and delivery by individuals who do not act in the conduct of a profession or trade; and

- (c) the issue and trading of those Notes, if they are physically issued outside The Netherlands and are not distributed in The Netherlands in the course of primary trading or immediately thereafter.

Accordingly, each Dealer has represented and agreed that it (i) has mentioned and shall mention the relevant selling restriction on all offers, offer advertisements, publications and other documents or advertisements in which such an offer of the Notes is made or such a forthcoming offer is announced (whether electronically or otherwise) and (ii) shall not offer, sell or transfer or cause the Notes in definitive form and other Notes in definitive form on which interest does not become due and payable during their term but only at maturity, to be offered, sold or transferred directly or indirectly, within, from or into The Netherlands, except in conformity with the requirements of the SCA.

The Grand Duchy of Luxembourg

In relation to the Grand Duchy of Luxembourg ("**Luxembourg**"), which has implemented the Prospectus Directive by the Luxembourg act dated 10 July 2005 relating to prospectuses for securities (the "**Prospectus Act 2005**"), each Dealer represents and agrees, and each further Dealer appointed under the Programme and each other Dealer will be required to represent and agree, that it has not made and will not make an offer of Securities which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms to the public in Luxembourg, except that it may make an offer of such Securities to the public in Luxembourg:

- (a) if the Final Terms in relation to the Securities specify that an offer of those Securities may be made other than pursuant to article 5.2 of the Prospectus Act 2005 in Luxembourg (a "**Non-exempt Offer**"), following the date of publication of the Base Prospectus in relation to such Notes which has been approved by the *Commission de surveillance du secteur financier* (the "**CSSF**"), as competent authority in Luxembourg or, where appropriate, approved in another Member State of the European Economic Area which has implemented the Prospectus Directive and notified to the CSSF, provided that the Base Prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Act 2005, in the period beginning and ending on the dates specified in the Base Prospectus or the Final Terms, as applicable;
- (b) at any time, to legal entities which are authorised or regulated to operate in the financial markets (including, credit institutions, investment firms, other authorised or regulated financial institutions, undertakings for collective investment and their management companies, pension and retirement funds and their management companies, insurance companies and commodity dealers as well as entities not so authorised or regulated whose corporate purpose is solely to invest in securities);
- (c) at any time, to national and regional governments, central banks, international and supranational institutions (such as the International Monetary Fund, the European Central Bank, the European Investment Bank and other similar international organisations);
- (d) at any time, to any legal entities which have two or more of (i) an average number of employees during the financial year of at least 250, (ii) a total balance sheet of more than €43,000,000 and (iii) an annual net turnover of more than €50,000,000, as shown in their last annual or consolidated accounts;
- (e) at any time, to certain natural persons or small and medium-sized enterprises (as defined in the Prospectus Act 2005) recorded in the register of natural persons or small and medium sized enterprises considered as qualified investors as held by the CSSF;
- (f) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Act 2005) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer, or
- (g) at any time, in any other circumstances falling within article 5.2 of the Prospectus Act 2005,

provided that no such offer of Securities referred to in (b) to (g) above shall require the Issuer or any Dealer to publish a prospectus pursuant to article 5 of the Prospectus Act 2005 or supplement a prospectus pursuant to article 13 of the Prospectus Act 2005.

For the purposes of this provision, the expression an "**offer of Securities to the public**" in relation to any Securities in the Grand Duchy of Luxembourg means the communication in any form by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe to these Securities.

Czech Republic

In relation to the Czech Republic, each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme and each other Dealer will be required to represent, warrant and undertake, that with effect from implementation of the Prospectus Directive in the Czech Republic it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in the Czech Republic, except that it may make an offer of such Securities to the public in the Czech Republic:

- (a) if the final terms in relation to the Securities specify that an offer of those Securities may be made other than pursuant to § 34(4)(g) and § 35(2) of Act No. 256/2004 Coll., on Carrying on Business in Capital Market, as amended (the "**Czech Capital Market Act**") in the Czech Republic (a "Non-exempt Offer"), upon the satisfaction of the following conditions:
 - (i) the publication in the Czech Republic of a prospectus in relation to such Securities, which prospectus has been approved by the Czech National Bank (the "**CNB**"), and additionally, where applicable, the publication in the Czech Republic of a supplemental prospectus approved by the CNB and/or in case that such approved prospectus is a base prospectus, the publication in the Czech Republic of the final terms completing such base prospectus, as well as the notification of such final terms to the CNB; or
 - (ii) the publication in the Czech Republic of a prospectus and, where applicable, supplement prospectus in relation to such Securities, which prospectus and/or supplement prospectus have been approved by the Issuer's home or other competent EU Member State supervising authority, and in relation to which such supervising authority has provided the CNB with a certificate of approval, as well as with other documents pursuant to § 36f of the Czech Capital Market Act, and, in addition, in case that such approved prospectus is a base prospectus, the publication in the Czech Republic and, if applicable, in the Issuer's home or other EU Member State of the final terms completing such base prospectus, as well as the notification of such final terms to the CNB and, if applicable, the Issuer's home or other competent EU Member State supervising authority,

however only in the period beginning and ending on the dates specified in such prospectus, supplement prospectus or final terms, as applicable, provided that such period cannot terminate later than as at the termination of such prospectus' validity and the Issuer and/or a person responsible for drawing up the prospectus and, where applicable, supplement prospectus or final terms, has consented in writing to its use for the purpose of that Non-exempt Offer;

- (b) if such offer is made exclusively to qualified investors as defined in § 34(3) of the Czech Capital Market Act;
- (c) if such offer is made to fewer than 150 persons (other than qualified investors as defined in § 34(3) of the Czech Capital Market Act) in Czech Republic, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer;
- (d) if it is an offer of securities with lowest possible investment per investor equal to or greater than an amount corresponding to a limit in EUR determined by Government Decree No. 190/2011 Coll., on determination of limits of respective amounts in EUR with respect to regulation of public offer

of investment securities, securities prospectus and information duty of an issuer of respective investment securities and other persons, as amended (the "**Decree**");

- (e) if it is an offer of securities with a nominal value or price per unit amounting to at least an amount corresponding to a limit in EUR determined by the Decree; or
- (f) if it is an offer of securities with a total consideration lower than EUR 1,000,000; such consideration shall be calculated for securities offered during a period of 12 months in all EU Member States;

however only provided that: in relation to any offer of Securities referred to in (b) to (f) above, neither the Issuer nor any Dealer will be obliged to proceed with any of the following actions: obtain the CNB's approval of a prospectus and/or a supplement prospectus; passport a prospectus and/or a supplement prospectus, already approved by the Issuer's home or other competent EU Member State supervising authority, into the Czech Republic; notify final terms to the CNB and, if applicable, to the Issuer's home or other competent EU Member State supervising authority or publish a prospectus (and, where applicable, the final terms) and/or a supplemental prospectus in the Czech Republic and, if applicable, in the Issuer's home or other EU Member State .

Each Dealer has further represented, warranted and undertaken, and each further Dealer appointed under the Programme and each other Dealer will be required to further represent, warrant and undertake, that it has not taken and will not take any action: (i) which would lead to the Securities (concretely bonds (notes)) being deemed to have been issued in the Czech Republic, unless explicitly requested by the Issuer, (ii) for the due and lawful exercise of which the approval of, permit by or consent of, and/or an application to, registration with or notification to, the CNB or any other Czech or EU Member State authority in respect of the Securities would be required pursuant to applicable Czech laws, or which would lead to requirement of approval of, permit by, consent of, application to, registration with and/or notification to the CNB or any other Czech or EU Member State authority in respect of the Securities pursuant to applicable Czech laws; except for action(s) consisting in the offer of the Securities in the Czech Republic under the conditions listed in paragraphs (a), (b), (c), (d), (e) or (f) above and in the immediately preceding paragraph, or except for action explicitly requested or in advance approved by the Issuer, (iii) which would lead to the issue of the Securities by the Issuer being qualified (considered) as "receiving deposits from the public" under Act No. 21/1992 Coll., on Banks, as amended (the "**Czech Bank Act**"), and/or (iv) which would or could lead to the Issuer being considered to be supporting/publicising activities prohibited by Act No. 189/2004 Coll., on Collective Investment, as amended (the "**Czech Collective Investment Act**").

Each Dealer has further represented, warranted and undertaken, and each further Dealer appointed under the Programme and each other Dealer will be required further to represent, warrant and undertake, that in relation to the Securities it has complied with and will comply with any and all applicable Czech laws, and, in particular, with the Czech Capital Market Act (including, among others, the regulation applicable to the provision of investment services in the Czech Republic), the Czech Collective Investment Act, Act No. 190/2004 Coll., on Bonds, as amended (the "**Czech Bonds Act**"), the Czech Bank Act and the practice of the CNB or any other competent authority.

Any other person (i.e. other than the Issuer and Dealer) that offers or intends to offer the Securities in the Czech Republic may only do so provided that (i) no obligation will arise for the Issuer and/or any Dealer to prepare and/or publish any prospectus (and, if applicable, final terms) and/or a supplement prospectus and/or any notes' emission terms and conditions ("emisní podmínky"), to obtain any approval of, permit by or consent of, and/or to proceed with an application to, registration with or notification to, the CNB or any other Czech or EU Member State authority in respect of the Securities pursuant to applicable Czech laws; (ii) such activity would not lead to the issue of the Securities by the Issuer being considered as "receiving deposits from the public" under Czech Bank Act ; (iii) such activity would not lead to the Issuer being considered to be supporting/publicising activities prohibited by Czech Collective Investment Act; and (iv) any such person has complied with and will comply with any and all applicable Czech laws, and, in particular, with the Czech Capital Market Act (including, among others, regulations applicable to the provision of investment services in the Czech Republic), the Czech Collective Investment Act, the Czech

Bonds Act, the Czech Bank Act and the practice of the CNB or any other competent authority. In case of an offer for which a publication of a prospectus (and, if applicable, final terms) and/or a supplement prospectus is needed, such other person would need to prepare its own prospectus and/or supplement prospectus.

For the purposes of these provisions on Czech selling restrictions, the expression an "**offer of Securities to the public**" in relation to any Securities is any communication to a wider group of persons containing information about offered Securities and conditions for their acquisition, which information is sufficient so as to enable an investor to make a decision to purchase or subscribe for these Securities, and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Czech Republic), and includes any relevant implementing measure in the Czech Republic and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

Belgium

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme and each other Dealer will be required to represent and agree, that:

(i) Offer to the public in Belgium:

in relation to any offer of Securities to the public in Belgium, it may only make such offer provided a prospectus in relation to those Securities is either approved by the Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/ Autorité des services et marchés financiers*) (the "**FSMA**") or, where appropriate, approved by the competent authority in another Relevant Member State and notified to the FSMA, all in accordance with the Belgian Law of 16 June 2006 on the public offering of investment instruments and the admission to trading of investment instruments on a regulated market, as supplemented and amended from time to time (the "**Prospectus Law**"); and

(ii) Private placement in Belgium:

in relation to any private placement of Securities in Belgium, it has not and will not take any action to permit an offer of Securities to the public in Belgium, and, in particular, it will not make this prospectus or any other offering material relating to the Securities available to the public or cause it to be made available to the public, it will not use this prospectus or any other offering material relating to the Securities or cause it to be used in connection with any public offering for subscription of the Securities in Belgium, and it will not publicly issue, offer or sell the Securities in Belgium.

In accordance with Article 3 of the Prospectus Law (which at the date of this Base Prospectus has not been amended in accordance with the 2010 PD Amending Directive), certain types of offers are not considered as offers to the public. This includes offers (i) to less than 100 persons other than certain qualified investors (per Relevant Member State), (ii) to certain qualified investors only, or (iii) to investors that are required to acquire Securities for a total consideration of EUR 50,000 or more (or its equivalent in foreign currencies) per investor and per separate offer. In case of a private placement, prospective acquirers shall only acquire Securities for their own account. In addition, the Securities shall not be offered or sold to any person qualifying as a consumer within the meaning of the Belgian law of 6 April 2010 on market practices and consumer protection, unless such offer or sale is made in compliance with this law and its implementing regulation.

General

Each Dealer has agreed, and each further Dealer appointed under the Programme and each other Dealer will be required to agree, that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Securities or possesses or distributes the Base Prospectus or any offering material and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Securities under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such

purchases, offers, sales or deliveries and none of the Issuer, the Guarantor (if applicable) nor any other Dealer shall have any responsibility therefor.

None of the Issuer, the Guarantor (if applicable) or any of the Dealers represents that Securities may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Series (and/or Tranche, as the case may be), the relevant Dealer will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms and relevant syndication agreement (if applicable).

GENERAL INFORMATION

Authorisation

The publication of this Base Prospectus has been approved by a resolution of the Board of the Issuer on 29 June 2012.

Listing, Approval and Admission to Trading on the Luxembourg Stock Exchange

Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Securities issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of Directive 2004/39/EC (the "**Markets in Financial Instruments Directive**"). In the case of any non-exempt offer of Securities in respect of which application is not made to have such Securities admitted to trading on the Luxembourg Stock Exchange, details of any stock exchange in respect of which an application has or will be made to have such Securities admitted to trading will be included in Part B, paragraph 1 of the relevant Final Terms.

Availability of Documents

For the period of 12 months following the date of approval of this Base Prospectus, copies of the following documents will, when published, be available for inspection during normal business hours at the specified office of the Issuing and Paying and the Principal Warrant and Certificate Agent:

- (a) copies of the Articles of the Issuer;
- (b) the Dealer Agreement, the Agency Agreement, and the Trust Deed (which includes, *inter alia*, the forms of the global Notes (including Registered Global Notes), the forms of the Global Warrants (including Registered Global Warrants), the forms of the Global Certificates (including Registered Global Certificates) Receipts, Coupons and Talons, Notes in definitive form);
- (c) a copy of this Base Prospectus;
- (d) any future prospectuses, information memoranda and supplements including the Final Terms (save that Final Terms relating to Private Placement Notes, Private Placement Warrants and Private Placement Certificates will only be available for inspection by a holder of such Note, Warrant or Certificate respectively and such holder must produce evidence satisfactory to the Issuer or Paying Agent as to its holding of such Notes, Warrants or Certificates and identity) to this Base Prospectus and any other documents incorporated herein or therein by reference;
- (e) the published annual audited financial statements of the Issuer;
- (f) copies of the *Statuts* of BNP Paribas (with English translation thereof);
- (g) the documents constituting the BNP Paribas Disclosure, including the audited annual consolidated financial statements of BNPP for the two years ended 31 December 2010 and 31 December 2011, the most recently published audited annual consolidated financial statements and unaudited semi-annual consolidated financial statements of BNPP and the most recent version of the Information Statement relating to BNPP; and
- (h) copies of any Guarantees.

In addition, this Base Prospectus, documents incorporated by reference herein and any Final Terms relating to Securities admitted to trading on the Luxembourg Stock Exchange's regulated market as aforementioned will be published on the internet site of the Luxembourg Stock Exchange at www.bourse.lu.

No Material Adverse Change

Issuer

There has been no material adverse change in the prospects of the Issuer since 31 December 2011 (being the end of the last financial period for which audited financial information has been published).

BNPP

There has been no material adverse change in the prospects of BNPP or the Group since 31 December 2011 (being the end of the last financial period for which audited financial statements have been published).

No Significant Change

Issuer

There has been no significant change in the financial or trading position of the Issuer since 31 December 2011 (being the end of the last financial period for which audited financial information has been published).

BNPP

There has been no significant change in the financial or trading position of the Group since 31 December 2011 (being the end of the last financial period for which audited financial information has been published).

Litigation

Issuer

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the period covering at least the 12 months prior to the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the Issuer's financial position or profitability.

BNPP

Save as disclosed on page 86 of the Information Statement (*Legal proceedings*), there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BNPP is aware), during the period covering at least the 12 months prior to the date of this Base Prospectus which may have, or have had in the recent past, significant effects on BNPP and/or the Group's financial position or profitability.

Clearing Systems

Securities in Euroclear/Clearstream

The Securities have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate Common Code and ISIN for each Series (and/or Tranche, as the case may be) of Securities allocated by Clearstream, Luxembourg will be contained in the applicable Final Terms.

The address of Euroclear is 1, boulevard du Roi Albert II, B-1210, Brussels, Belgium; the address of Clearstream, Luxembourg is 42, avenue J F Kennedy, L-1855, Luxembourg.

Conditions for determining price

The price and amount of Securities to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

Auditors

Issuer

The auditors of the Issuer are PricewaterhouseCoopers S.à r.l. The auditors of the Issuer have no material interest in the Issuer.

BNPP

The statutory auditors (*Commissaires aux comptes*) of BNPP are currently the following:

Deloitte & Associés was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 23 May 2006.

Deloitte & Associés is represented by Damien Leurent.

Deputy:

BEAS, 7-9, Villa Houssay, Neuilly-sur-Seine (92), France, SIREN No. 315 172 445, Nanterre trade and companies register.

PricewaterhouseCoopers Audit was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 26 May 1994.

PricewaterhouseCoopers Audit is represented by Etienne Boris.

Deputy:

Anik Chaumartin, 63, Rue de Villiers, Neuilly-sur-Seine (92), France.

Mazars was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 23 May 2000.

Mazars is represented by Hervé Hélias.

Deputy:

Michel Barbet-Massin, 61 Rue Henri-Regnault, Courbevoie (92), France.

Deloitte & Associés, PricewaterhouseCoopers Audit, and Mazars are registered as Statutory Auditors with the Versailles Regional Association of Statutory Auditors, under the authority of the French National Accounting Oversight Board (*Haut Conseil du Commissariat aux comptes*).

The BNPP Group divides the audit committee responsibility to review the annual consolidated financial statements of BNPP between a Financial Statement Committee and an Internal Control and Risks Committee. Please refer to page 42 of the 2011 BNPP Registration Document (which is incorporated by reference into the Base Prospectus) for further details.

Board of Directors

The members of the Board of Directors of BNPP are displayed on pages 163 to 165 of the Information Statement relating to BNPP which is incorporated by reference herein.

Post issuance information

Except as otherwise required by applicable law, the Issuer does not intend to provide:

- (a) post issuance transaction information in relation to derivative products or regarding the Securities, including in relation to the performance of any underlying reference assets; or
- (b) post issuance information in relation to the performance of the Compartment Assets.

Potential Conflicts of Interest

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer, the Guarantor (if applicable) and their affiliates in the ordinary course of business.

Overview of parties

The Issuer is SecurAsset S.A. Its shares are held by Stichting AssetSecur. BNP Paribas Arbitrage S.N.C., which acts as Arranger and as a Dealer, and BNP Paribas Securities Services, Luxembourg Branch which acts, among other things, as Issuing and Paying Agent, Principal Warrant and Certificate Agent, Cash Manager, Account Bank and Custodian, are wholly owned subsidiaries of BNP Paribas which may act as Guarantor and which acts as a Dealer. BNP Paribas Trust Corporation UK Limited, which is the Trustee, is a subsidiary of BNP Paribas Securities Services S.C.A.

ISSUER

SecurAsset

2-8 avenue Charles de Gaulle
L-1653 Luxembourg

ARRANGER AND CALCULATION AGENT

BNP Paribas Arbitrage S.N.C.

8 rue de Sofia
75018 Paris
France

TRUSTEE

BNP Paribas Trust Corporation UK Limited

55 Moorgate
London EC2R 6PA

**ISSUING AND PAYING AGENT, LISTING AGENT, REGISTRAR, TRANSFER AGENT,
PRINCIPAL WARRANT AND CERTIFICATE AGENT AND CUSTODIAN**

BNP Paribas Securities Services, Luxembourg Branch

33, rue de Gasperich, Howald-Hesperange
L-2085 Luxembourg

LEGAL ADVISERS

To the Arranger as to English Law

Hogan Lovells International LLP

Atlantic House
Holborn Viaduct
London EC1A 2FG

To the Issuer as to Luxembourg Law

Bonn Steichen & Partners

2, rue Peternelchen
L-2370 Howald, Luxemborg

AUDITORS

to the Issuer

PricewaterhouseCoopers S.à r.l.

400, route d'Esch
B.P. 1443
L-1014 Luxembourg

**FIRST SUPPLEMENT DATED 25 September 2012
TO THE BASE PROSPECTUS DATED 29 June 2012**

SecurAsset, a public limited liability company (*société anonyme*) incorporated as a securitisation company under the laws of Luxembourg, having its registered office at 2-8 avenue Charles de Gaulle, L-1653 Luxembourg, registered with the Luxembourg trade and companies register with registration number B 144385

Secured Note, Warrant and Certificate Programme

This first supplement (the "**Supplement**") constitutes a supplement for the purposes of Article 13 paragraph 1 of the Luxembourg Law on Prospectuses for Securities dated 10 July 2005, as amended (the "**Luxembourg Law on Prospectuses for Securities**").

This Supplement is supplemental to, and should be read in conjunction with, the base prospectus dated 29 June 2012 (the "**Base Prospectus**") in relation to the €20,000,000,000 programme (the "**Programme**") arranged by BNP Paribas Arbitrage S.N.C. for the issuance of notes, warrants and certificates by SecurAsset. Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

SecurAsset as Issuer and BNP Paribas as Guarantor accept responsibility for the information contained in this Supplement, other than the information relating to Fortis Bank NV/SA ("**Fortis Bank**" or "**BNP Paribas Fortis**"). Fortis Bank accepts responsibility for the information about itself contained in this Supplement. Each of SecurAsset, BNP Paribas and Fortis Bank (in respect of itself) declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been produced for the purposes of:

1. amending the description of the Calculation Agent in the section of the Base Prospectus headed "General Description of the Programme"; and
2. incorporating an additional section into the Base Prospectus containing the name, address and a description of Fortis Bank in its capacity as a Swap Counterparty.

In accordance with Article 13 paragraph 2 of the Luxembourg Law on Prospectuses for Securities, where the prospectus relates to an offer of securities to the public, investors who have already agreed to purchase or subscribe for the securities before this Supplement is published have the right, exercisable within two working days after the publication of this Supplement, to withdraw their acceptances, provided that the new factor, mistake or inaccuracy arose prior to the final closing of the offer to the public and the delivery of the securities. The final date of the right of withdrawal shall be 27 September 2012.

Copies of this Supplement and the Base Prospectus are available at the office of BNP Paribas Securities Services, Luxembourg Branch (in its capacity as Issuing and Paying Agent), 33 rue de Gasperich, Howald-Hesperange, L-2085 Luxembourg and on the Luxembourg Stock Exchange's website: "www.bourse.lu".

Save as disclosed in this Supplement, no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus has arisen or been noted.

1. General Description of the Programme

The words ", Fortis Bank NV/SA or any other person specified as such in the Final Terms" shall be added after the words "BNP Paribas Arbitrage S.N.C." in the table entry for "Calculation Agent" on page 28 of the Base Prospectus in the section entitled "General Description of the Programme".

2. Description of Fortis Bank NV/SA

A new section entitled "Description of Fortis Bank NV/SA" shall be inserted into the Base Prospectus on page 637 immediately after the section entitled "Description of BNP Paribas Arbitrage S.N.C." as follows:

"DESCRIPTION OF FORTIS BANK NV/SA"

*The information contained in this section relates to and has been obtained from Fortis Bank NV/SA (**Fortis Bank**). The information concerning Fortis Bank contained herein is furnished solely to provide limited introductory information regarding Fortis Bank and does not purport to be comprehensive.*

The delivery of information contained in this section shall not create any implication that there has been no change in the affairs of Fortis Bank since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

Legal Status and Form of Fortis Bank

Fortis Bank is a public company with limited liability (*naamloze vennootschap/société anonyme*) incorporated under the laws of Belgium registered with enterprise number 0403.199.702 in the register of legal entities of Brussels, licensed to conduct banking operations. Fortis Bank is domiciled in Belgium; its registered office is located at 1000 Brussels, Montagne du Parc 3, Brussels, Belgium, where its headquarters are based (telephone number: +32 2 565 35 10). In Belgium, Fortis Bank is subject to the supervision of both the prudential authority NBB (National Bank of Belgium) and the market authority FSMA (Financial Services and Markets Authority). Fortis Bank was incorporated on 5 December 1934 for an indefinite period. Each financial year begins on 1 January and ends on 31 December.

As stated in article 3 of its Articles of Association, Fortis Bank's object is to carry on the business of a credit institution, including brokerage and transactions involving derivatives. It is free to carry out all businesses and operations which are directly or indirectly related to its purpose or which are of a nature that benefit the realisation thereof. Fortis Bank is free to hold shares and share interests within the limits set by the legal framework for banks.

Following the implementation on 13 May 2009 of a *protocole d'accord* dated 10 October 2008 (and as further amended) between BNP Paribas, the Belgian Federal Public Service for Participations and Investments ("**SFPI/FPIM**"), Fortis Holding and Fortis Bank (the "**Protocole d'Accord**"), 74.93 per cent. of Fortis Bank is owned by BNP Paribas, 25 per

cent. by the Belgian State, through the SFPI/FPIM, and 0.07 per cent. by minority shareholders.

Since 14 May 2009, for its retail, private and commercial activities in the Belgian market, Fortis Bank operates under the commercial name of BNP Paribas Fortis.

Business Overview

Fortis Bank offers a comprehensive package of financial services through its own channels and via other partners to private, professional and wealthy clients in the Belgian market, as well as in Poland and Turkey. The bank also provides corporations and public and financial institutions with customised solutions, for which it can draw on BNP Paribas' know-how and international network. In the insurance sector, Fortis Bank works closely with the Belgian market leader AG Insurance, in which it owns a 25 per cent. stake. Fortis Bank employs 36,970 people.

Fortis Bank has built up a strong presence in the retail and private banking market, operating through a variety of distribution channels. In Belgium the company delivers universal banking and insurance services and solutions to its retail customers. In other countries, the product offer is tailored to specific customer segments. Private Banking offers integrated and international asset and liability management solutions to high net worth individuals in Belgium, their businesses and their advisers.

Fortis Bank also offers financial services to companies and institutional clients and provides integrated solutions to enterprise and entrepreneur. Corporate and Public Banking fulfils the financial needs of corporate and midcap enterprises, public entities and local authorities through an integrated international network of business centres.

Fortis Bank is part of the BNP Paribas group (the "**BNP Paribas Group**") (of which BNP Paribas is the parent company), a European leader in banking and financial services. The BNP Paribas Group has one of the largest international banking networks, a presence in 80 countries and 194,400 employees, including 150,000 in Europe. It enjoys key positions in its three activities: Retail banking (which includes the following operating entities: French Retail Banking, BNL banca commerciale, BancWest, BeLux Retail Banking, Europe Mediterranean, Personal Finance, Equipment Solutions), Investment Solutions and Corporate and Investment Banking.

Interim Financial Statements

On 30 August 2012, Fortis Bank published its financial report for the first half-year of 2012.

At 30 June 2012, the net income of Fortis Bank before discontinued operations and minority interests amounted to EUR 635 million, up from EUR 503 million at 30 June 2011 (an increase of 26 per cent.)¹. Fortis Bank realised a net profit attributable to shareholders of EUR 541 million in the first half year of 2012 compared to EUR 71 million in the first half of 2011 (which was mainly impacted by the legal structuring related to the merger of Türk Ekonomi Bankasi with Fortis Bank Turkey for an amount of EUR 317 million).

These results are driven by sound commercial revenues in most entities of Fortis Bank and especially in Belgium and Turkey, with a continued growth in deposits and mortgage loans in Retail Banking Belgium.

- Net interest income amounted to EUR 2,231 million in the first half year of 2012, up EUR 251 million or 13 per cent. compared to the same period in 2011. This includes scope changes with a positive impact of EUR 151 million mainly related to the full consolidation of the leasing activities and a positive impact of EUR 30 million of the reclassification to discontinued operations of the pre-merger net interest income of Fortis Bank Turkey in 2011.
- Net fee and commission income amounted to EUR 661 million in the first half year of 2012, up EUR 32 million or 5 per cent. compared to the same period in 2011. The increase in 2012 of net commission income was supported by higher fee income in Turkey, by CIB Capital Market activities and by scope changes related to leasing and factoring entities entering the consolidation scope.
- Total revenues amounted to EUR 2,901 million in the first half year of 2012, up EUR 47 million or 2 per cent. compared to the first half year of 2011.
- Operating expenses and depreciations came in at EUR 2,090 million in the first half year of 2012, EUR 35 million or 2 per cent. higher than in the same period in 2011. Decreasing restructuring costs and lower IT-consulting costs in the first half year of 2012 were more than counterbalanced by a higher contribution in Belgium to the deposit guarantee scheme, by taxes on deposits and by scope changes. Staff expenses in Belgium are under control as a consequence of the decreasing average workforce and the impact of the new reward model, together offsetting the impact

¹ The comparison between the 2012 and 2011 first half year results on a line-by-line basis, is still largely impacted by the consequences of several on-going integration initiatives between Fortis Bank and the BNP Paribas Group, amongst others the acquisition by BGL BNP Paribas at the end of March 2012 of an additional 16.7 per cent. of the shares in BNP Paribas Leasing Solutions ("**BPLS**"), obtaining as such control of BPLS (50 per cent. and 1 share) from the first quarter of 2012 onwards and the reorganisation of the activities in Turkey in 2011.

of the wage drift. Depreciation charges were in line with the level of the first half year of 2011.

- Cost of risk amounted to EUR 155 million in the first half year of 2012, compared to EUR 324 million in the first half of 2011. Excluding the provision for Greek debt (EUR 178 million) and scope changes, the cost of risk in both years was at a comparable level.
- The pre-tax income amounted to EUR 720 million in the first half year 2012 compared to EUR 654 million over the same period of 2011 or an increase of 10 per cent.

The total balance sheet of Fortis Bank amounted to EUR 352 billion at the end of June 2012, EUR 6 billion or 2 per cent. higher compared to the end of 2011, mainly due to an increase of EUR 13 billion related to the change in consolidation method of the leasing companies from equity method to full consolidation.

From a geographical point of view and based on the location of the Fortis Bank companies, 78 per cent. of the assets are located in Belgium, 9 per cent. in Luxembourg and 13 per cent. in other countries.

The solvency of Fortis Bank remained very strong during the first half year of 2012 with a Tier 1 ratio of 14.8 per cent. and a total capital ratio of 18.5 per cent. well above the regulatory required minimum of 8 per cent.

The liquidity of Fortis Bank likewise remained solid. The loan-to-deposit ratio, based on customer loans and deposits, amounted to 106 per cent. at 30 June 2012.

Legal and arbitration proceedings

Legal proceedings

Fortis Bank and its consolidated subsidiaries are involved as a defendant in various claims, disputes and legal proceedings in Belgium and in a number of foreign jurisdictions, arising in the ordinary course of the banking business, including in connection with their activities as lender, employer, investor and taxpayer.

Fortis Bank makes provision for such matters when in the opinion of management, after consulting legal advisors, it is probable that a payment will have to be made by Fortis Bank, and when the amount can be reasonably estimated.

With respect to further claims and legal proceedings against Fortis Bank (and its consolidated subsidiaries) of which management is aware (and for which, according to the principles outlined above, no provision has been made), management is of the opinion, after due consideration of appropriate professional advice that, while it is often not feasible to predict or determine the ultimate outcome of all pending or threatened legal and regulatory proceedings, such proceedings are without merit, can be successfully defended or that the outcome of these actions is not expected to result in a significant loss in the Fortis Bank Consolidated Financial Statements.

Following the restructuring of Fortis (referring to both "Fortis SA/NV" and "Fortis N.V." and currently "Ageas") at the end of September and beginning of October 2008, a number of groups representing shareholders, and others, have initiated (or threatened) legal action against various entities of the former Fortis group and/or certain members of their Board of Directors and management. These legal actions include, *inter alia*:

MCS Noteholders claim against Ageas, Fortis Bank and others

Certain holders of MCS Notes have filed two actions against the co-issuers of the MCS Notes, including Fortis Bank, and against Bank of New York Corporate Trustee Services Ltd in its capacity of trustee, before the Commercial Court of Brussels, claiming annulment of the MCS Notes conversion and the restitution of their MCS Notes and in secondary order claiming damages. The court has dismissed both actions in a verdict rendered in March 2012. Certain holders filed an appeal in June 2012. Fortis Bank is of the opinion that under the transaction documentation and Belgian law the claims have no merit.

Claims by VEB NCVB and Stichting Investor Claims against Fortis'before Dutch courts

These legal actions relate to the writs issued against, *inter alia*, Fortis in connection with the acquisition of ABN Amro and the financing thereof, and the role of Fortis Bank as underwriter.

In September 2007, Fortis Bank acted together with Merrill Lynch and other banks as underwriter of a rights issue by Fortis SA/NV and Fortis N.V. (now Ageas) in the amount of EUR 13.4 billion. The rights issue served to partly finance the participation by Fortis in the acquisition of ABN Amro Bank N.V.

Fortis Bank received on 3 February 2011 a writ of summons from the Dutch association of shareholders "VEB NCVB". According to this association, Fortis Bank, together with Ageas, Merrill Lynch and others, is jointly and severally liable in connection with the alleged shortcomings of the prospectus. The association is seeking declaratory relief that the statements and omissions in the prospectus were misleading to all who purchased Fortis shares from 24 September 2007 until 3 October 2008 and that as a consequence Fortis Bank is jointly with other banks and officers liable for the damages sustained by the shareholders. As the procedure relates to a declaration sought by an association, no claim for damages has been made at this moment, but these proceedings may potentially lead to future damage claims.

On 7 July 2011 Fortis Bank also received a writ of summons by a foundation named "Stichting Investor Claims against Fortis". This writ addresses the same subject matter and is largely based on the same allegations. Ageas and Merrill Lynch are co-defendants.

Fortis Bank has received on 20 August 2012 a (new) claim filed with the court of Utrecht by "Stichting Investor Claims against Fortis" and 129 other investors. In the writ of summons, plaintiffs claim damages from the nine defendants, jointly and severally between them, on the grounds that Fortis Bank allegedly failed to fulfill its duty of care by not preventing or correcting the allegedly incorrect or incomplete information that Fortis

had given to investors on, amongst others, the financial risks to which Fortis was exposed as a consequence of the subprime crisis in the period from the start of the public offer on ABN Amro Bank N.V. until 17 October 2007, a failure that allegedly resulted in a loss sustained by the plaintiffs.

Claims by Deminor International and others against Fortis Bank and Merrill Lynch before the Belgian court

Deminor International and a group of retail and institutional investors in Fortis shares have commenced in June 2012 legal action in the Commercial Court of Brussels in order to obtain damages from Fortis Bank and Merrill Lynch in their role as global coordinator of the rights issue of Fortis SA/NV and Fortis N.V. in September 2007. Claimants allege that the banks have breached their duties as financial advisors, including with respect to the information to be provided to investors in the prospectus issued by Fortis.

While it cannot be ruled out that the above claims may negatively affect the Consolidated Financial Statements of Fortis Bank, any likelihood of this happening is regarded as limited at this point in time.

Other litigation and investigations are pending in relation to the restructuring of the Fortis group to which Fortis Bank is at this moment not a party. This includes, inter alia, an inquiry into the management and course of events at Fortis ordered by the Dutch "Ondernemingskamer" (Entreprise Chamber), which report was filed in June 2010. After the filing of the report, the court decided in April 2012 that improper management had occurred in 2007 and 2008 at Fortis NV. The possibility cannot be ruled out that the outcome of such litigation and/or investigations might also have an impact on Fortis Bank.

Like many other companies in the banking, investment, mutual funds and brokerage sectors, Fortis Bank (and its consolidated subsidiaries) have received or may receive requests for information from supervisory, governmental or self-regulatory agencies. Fortis Bank responds to such requests and cooperates with the relevant regulators and other parties and helps to address any issues they might raise. Fortis Bank believes that any issues that have been identified do not represent a systemic problem to Fortis Bank or its businesses.

Regulated Market

Fortis Bank has issued securities which are admitted to trading on the Official List of the Luxembourg Stock Exchange."

**SECOND SUPPLEMENT DATED 18 OCTOBER 2012
TO THE BASE PROSPECTUS DATED 29 JUNE 2012**

SecurAsset, a public limited liability company (*société anonyme*) incorporated as a securitisation company under the laws of Luxembourg, having its registered office at 2-8 avenue Charles de Gaulle, L-1653 Luxembourg, registered with the Luxembourg trade and companies register with registration number B 144385.

Secured Note, Warrant and Certificate Programme

This second supplement (the "**Supplement**") constitutes a supplement for the purposes of Article 13 paragraph 1 of the Luxembourg Law on Prospectuses for Securities dated 10 July 2005, as amended (the "**Luxembourg Law on Prospectuses for Securities**").

This Supplement is supplemental to, and should be read in conjunction with, the base prospectus dated 29 June 2012 as supplemented pursuant to the first supplement dated 25 September 2012 (the "**Base Prospectus**") in relation to the €20,000,000,000 programme (the "**Programme**") arranged by BNP Paribas Arbitrage S.N.C. for the issuance of notes, warrants and certificates by SecurAsset. Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

SecurAsset as Issuer and BNP Paribas as Guarantor accept responsibility for the information contained in this Supplement. Each of SecurAsset and BNP Paribas (in respect of itself) declare that, having taken all reasonable care to ensure that such is the case, the information contained (or incorporated by reference, including the free English translation of the Second Update to the 2011 Registration Document (as defined below)) in this Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been produced for the purposes of updating the disclosure relating to BNP Paribas and describing an alternative form of guarantee which may apply to certain Series of Securities issued under the Programme.

In accordance with Article 13 paragraph 2 of the Luxembourg Law on Prospectuses for Securities, where the prospectus relates to an offer of securities to the public, investors who have already agreed to purchase or subscribe for the securities before this Supplement is published have the right, exercisable within two working days after the publication of this Supplement, to withdraw their acceptances, provided that the new factor, mistake or inaccuracy arose prior to the final closing of the offer to the public and the delivery of the securities. The final date of the right of withdrawal shall be 22 October 2012.

Copies of this Supplement and the Base Prospectus are available at the office of BNP Paribas Securities Services, Luxembourg Branch (in its capacity as Issuing and Paying Agent), 33 rue de Gasperich, Howald-Hesperange, L-2085 Luxembourg and on the Luxembourg Stock Exchange's website: "www.bourse.lu".

Save as disclosed in this Supplement, no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus has arisen or been noted.

1. Summary of the Programme

Sub- section 2 entitled "Share Capital as of 31 December 2011:" in the section entitled "Description on BNP Paribas:" on page 9 of the Base Prospectus in the section entitled "Summary of the Programme" shall be deleted and replaced with the following:

"2. Share capital as of 30 June 2012:

EUR 2,507,455,130 represented by 1,253,727,565 fully paidup shares with a par value of EUR 2 each (including the registration since 31 December 2011 of (i) the creation of 12,694 shares subscribed pursuant to share options plans, (ii) the creation of 41,679,176 shares arising from the payment of a stock dividend and (iii) the creation of 4,289,709 shares arising from a capital increase reserved for members of the company savings plan (*Plan d'Epargne d'Entreprise de Groupe*))."

2. Risk Factors

The second paragraph in "E. Risks relating to Guaranteed Securities" on page 73 of the Base Prospectus in the section entitled "Risk Factors" shall be deleted and replaced with the following:

"In the event the General Guarantee is specified as applicable in the applicable Final Terms, prospective purchasers of Guaranteed Securities should note that, unless otherwise stated in the applicable Final Terms and Supplemental Trust Deed, the Guarantee is a guarantee of the Issuer's obligations which are themselves limited by a number of factors including, but not limited to, the provisions of the Securitisation Act 2004 and the Terms and Conditions of the Notes, the Terms and Conditions of the Warrants or the Terms and Conditions of the Certificates (as the case may be), including, without limitation, those relating to (i) the applicable redemption amount (which may be limited to the liquidation proceeds of the Charged Assets of the Compartment relating to such Note, Warrant or Certificate, as the case may be), (ii) Compartments, (iii) limited recourse, (iv) non-petition, (v) subordination and (vi) priority of payments, as described in the Base Prospectus. Holders of Guaranteed Securities would therefore retain the risk that these factors may result in payments under the Guaranteed Securities being less than amounts which would otherwise have been due, as described in "*Risk Factors – Risks relating to the Issuer*".

In the event the Shortfall Guarantee is specified as applicable in the applicable Final Terms, prospective purchasers of Guaranteed Securities should note that the Guarantee is a not a full guarantee of the Issuer's obligations but only relates to the payment of any Shortfall Amount (as defined in the Guarantee) and is conditional on (i) the Holders of the Securities receiving less than the amount which would otherwise have been payable in respect of the Securities on the Maturity Date (in the case of Notes), Redemption Date (in the case of Certificates), Settlement Date (in the case of Warrants), Early Redemption Date (in the case of Notes and Certificates) or Early Termination Date (in the case of Warrants), as the case may be, in accordance with the Terms and Conditions of the Notes, the Terms and Conditions of the Warrants or the Terms and Conditions of the Certificates (as the case may be) and (ii) the liquidation of the Charged Assets (either following the enforcement of the security for the Securities or following the occurrence of an Early Redemption Event or Early Termination Event). The Shortfall Amount represents the amount by which any Available Enforcement Proceeds are insufficient to meet (1) the Final Redemption Amount (in the case of Notes or Certificates) or Cash Settlement Amount (in the case of Warrants) on the Maturity Date (in the case of Notes), Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates), (2) the fair market value of the relevant Security following an Event of Default (other than an Event of Default resulting from a failure to pay the Final Redemption Amount (in the case of Notes or Certificates) or the Final Settlement Amount (in the case of Guaranteed Warrants)), an Early Redemption Event or an Early Termination Event or (3) such other amount as specified in the Final Terms."

3. Documents incorporated by reference

BNP Paribas (the “**Guarantor**”) has filed its *Actualisation du Document de Référence 2011 et rapport financier semestriel déposée auprès de l’AMF le 3 août 2012* comprising (i) the half year management report of the Guarantor and (ii) the financial information as at 30 June 2012 of the Guarantor.

A copy of an English translation of the Guarantor's *Actualisation du Document de Référence 2011 et rapport financier semestriel déposé auprès de l’AMF le 3 août 2012* (the “**Second Update to the 2011 Registration Document**”) is, by virtue of this Second Supplement incorporated in, and forms part of, the Base Prospectus. The section “Documents incorporated by reference” in the Base Prospectus is updated accordingly as follows:

- (a) paragraph (i) on page 76 of the Base Prospectus shall be deleted and replaced with the following:
 - “(i) the supplement to the consolidated financial statements of BNP Paribas as at, and for the year ended, 31 December 2010 as contained in Chapter 3 of BNP Paribas' First Update to the 2010 Registration Document filed with the AMF on May 6, 2011(the “**First Update to the 2010 BNPP Registration Document**”);
 - (j) the Second Update to the 2011 Registration Document and Half Year Financial Report filed with the AMF on 3 August 2012 (the “**Second Update to the 2011 Registration Document**” and together with the information set out in paragraphs (g), (h) and (i), the “**BNP Paribas Disclosure**”),
- (b) the following table is deemed to be added on page 81 of the Base Prospectus immediately following the table entitled “2011 BNPP Registration Document”:

Table of concordance

Information incorporated by Reference / Sections of Annex 11 of Commission Regulation (EC) No 809/2004 of 29 April 2004	Reference
<i>Second Update to the 2011 Registration Document</i>	
3. RISK FACTORS	Page 66 of the Second Update to the 2011 Registration Document
4. INFORMATION ABOUT GUARANTOR	
4.1 History and Development of the Guarantor	Page 3 of the Second Update to the 2011 Registration Document
5. BUSINESS OVERVIEW	
5.1 Principal Activities	Pages 3; 101-102 of the Second Update to the 2011 Registration Document
5.1.3 Principal Markets	Pages 3;101-102 of the Second Update to the 2011 Registration Document

	Document
6. ORGANISATIONAL STRUCTURE	
6.1 Brief Description	Page 3 of the Second Update to the 2011 Registration Document
6.2 Other entities within the Group	Pages 125-131 of the Second Update to the 2011 Registration Document
9. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES	
9.1 Composition of the Board of Directors	Page 136 of the Second Update to the 2011 Registration Document
11. FINANCIAL INFORMATION CONCERNING THE GUARANTOR'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
11.5 Interim and Other Financial Information	Pages 4-65; 67-133 of the Second Update to the 2011 Registration Document
a) Balance Sheet at 30 June 2012	Page 71 of the Second Update to the 2011 Registration Document
b) Profit and loss account for the first half of 2012	Page 69 of the Second Update to the 2011 Registration Document
c) Cash flow statement for the first half of 2012	Page 72 of the Second Update to the 2011 Registration Document
d) Summary of significant Accounting policies applied by the BNPP Group and notes to the unaudited consolidated financial statements as at 30 June 2012	Pages 75-133 of the Second Update to the 2011 Registration Document
Statutory auditors review report on the 2012 interim financial information	Pages 134-135 of the Second Update to the 2011 Registration Document
11.6 Legal and arbitration proceedings	Page 144 of the Second

	Update to the 2011 Registration Document
11.7 Significant changes in the Guarantor's financial position	Pages 59-65 (1.2 2012 first half results: Quarterly Series); Page 66 (1.3 Long term credit ratings); Page 66 (1.4 Related parties); Page 66 (1.5 Risk factors); Page 66 (1.6 Recent events); Pages 69-74 (2.1 Consolidated Financial Statements as at 30 June 2012); Pages 75-96 (2.1.1 Summary of significant accounting policies applied by the BNP Paribas Group) and Pages 97-100 (2.1.2 Notes to the profit and loss account for the first half of 2012) of the Second Update to the 2011 Registration Document
14. DOCUMENTS ON DISPLAY	Page 144 of the Second Update to the 2011 Registration Document

4. Applicable Note Final Terms

A new paragraph 1(iii) shall be added on page 103 of the Base Prospectus in the section entitled "Applicable Note Final Terms" as follows:

(iii) Form of Guarantee: General Guarantee/Shortfall Guarantee/other (specify)/Not applicable

5. Applicable Warrant Final Terms

A new paragraph 1(iii) shall be added on page 164 of the Base Prospectus in the section entitled "Applicable Warrant Final Terms" as follows:

(iii) Form of Guarantee: General Guarantee/Shortfall Guarantee/other (specify)/Not applicable

6. Applicable Certificate Final Terms

A new paragraph 1(iii) shall be added on page 204 of the Base Prospectus in the section entitled "Applicable Certificate Final Terms" as follows:

(iii)	Form of Guarantee:	General	Guarantee/Shortfall
		Guarantee/other (specify)/Not applicable	

7. Terms and Conditions of the Notes

The following amendments shall be made to the Terms and Conditions of the Notes:

- (a) The following text shall be inserted after "**Guarantor**")" on line 7 of Condition 3(b) (*Guaranteed Notes*) on page 266 of the Base Prospectus in the section entitled "Terms and Conditions of the Notes":

"which will be substantially in the form of one of the Guarantees set out in the base prospectus relating to the Notes or in such other form as specified in the applicable Final Terms".

- (b) The following text shall be inserted after "Liquidation Proceeds" on line 6 of Condition 7(e)(v) on page 292 of the Base Prospectus in the section entitled "Terms and Conditions of the Notes":

"or such other amount as specified in the applicable Final Terms".

- (c) The words "Trust Deed and any Additional Security Document" in line 2 of Condition 8(e)(i) on page 308 of the Base Prospectus in the section entitled "Terms and Conditions of the Notes" shall be deleted and replaced with the following:

"Trust Deed, any Additional Security Document and any Guarantee".

8. Terms and Conditions of the Warrants

The following amendments shall be made to the Terms and Conditions of the Warrants:

- (a) The following text shall be inserted after "**Guarantor**")" on line 7 of Condition 2(b) (*Guaranteed Warrants*) on page 329 of the Base Prospectus in the section entitled "Terms and Conditions of the Warrants":

"which will be substantially in the form of one of the Guarantees set out in the base prospectus relating to the Warrants or in such other form as specified in the applicable Final Terms".

- (b) The following text shall be inserted after "Liquidation Proceeds" on line 5 of the final paragraph on page 347 of the Base Prospectus in the section entitled "Terms and Conditions of the Warrants" in respect of Condition 8(c):

"or such other amount as specified in the applicable Final Terms".

- (c) The words "Trust Deed and any Additional Security Document" in line 2 of Condition 9(e)(i) on page 358 of the Base Prospectus in the section entitled "Terms and Conditions of the Warrants" shall be deleted and replaced with the following:

"Trust Deed, any Additional Security Document and any Guarantee".

9. Terms and Conditions of the Certificates

The following amendments shall be made to the Terms and Conditions of the Certificates:

- (a) The following text shall be inserted after "**Guarantor**")" on line 7 of Condition 2(b) (*Guaranteed Certificates*) on page 383 of the Base Prospectus in the section entitled "Terms and Conditions of the Certificates":

"which will be substantially in the form of one of the Guarantees set out in the base prospectus relating to the Certificates or in such other form as specified in the applicable Final Terms".

- (b) The following text shall be inserted after "Liquidation Proceeds" on line 6 of Condition 8(e)(v) on page 408 of the Base Prospectus in the section entitled "Terms and Conditions of the Certificates":

"or such other amount as specified in the applicable Final Terms".

- (c) The words "Trust Deed and any Additional Security Document" in line 2 of Condition 9(e)(i) on page 424 of the Base Prospectus in the section entitled "Terms and Conditions of the Certificates" shall be deleted and replaced with the following:

"Trust Deed, any Additional Security Document and any Guarantee".

10. Form of Guarantee

- (a) The fourth paragraph on page 627 of the Base Prospectus in the section entitled "Form of Guarantee" shall be deleted and replaced with the following:

"If the form of Guarantee specified as applicable in the applicable Final Terms is "General Guarantee" then the form of Guarantee will be as follows where BNPP is the Guarantor (the "**General Guarantee**"):"

- (b) The following shall be added after "Address" on page 630 of the Base Prospectus in the section entitled "Form of Guarantee":

""

If the form of Guarantee specified as applicable in the applicable Final Terms is "Shortfall Guarantee" then the form of Guarantee will be as follows where BNPP is the Guarantor (the "**Shortfall Guarantee**"):

"**THIS GUARANTEE** is made by way of deed on [*insert date*] by BNP Paribas (the "**Guarantor**") in favour of the Trustee for itself and for the benefit for the time being of the holders of the Securities (as defined below) (each a "**Holder**").

WHEREAS:

The Guarantor has agreed to guarantee the obligations of the Issuer under the Securities (the "**Guaranteed Securities**") on the terms of this Guarantee.

Terms defined in the Terms and Conditions of [*insert name of the Securities*] (the "**Securities**"), as amended and/or supplemented by the applicable Final Terms (the "**Conditions**"), and not otherwise defined in this Guarantee, shall have the same meanings when used in this Guarantee.

NOW THIS DEED WITNESSES as follows:

1. **GUARANTEE**

Subject as provided below, the Guarantor conditionally and irrevocably guarantees to the Trustee for itself and for the benefit of the Holders that, if for any reason the Issuer does not:

- (i) on the Maturity Date (in the case of Guaranteed Notes), the Settlement Date (in the case of Guaranteed Warrants) or the Redemption Date (in the case of Guaranteed Certificates), as the case may be, pay the Final Redemption Amount (in the case of Guaranteed Notes or Guaranteed Certificates) or the Cash Settlement Amount (in the case of Guaranteed Warrants) in full;
- (ii) on the Automatic Early Redemption Date (if specified as applicable in the Applicable Final Terms) pay the Automatic Early Redemption Amount; or
- (iii) if (1) an Event of Default (other than an Event of Default resulting from a failure to pay the Final Redemption Amount (in the case of Guaranteed Notes and Guaranteed Certificates) or the Final Settlement Amount (in the case of Guaranteed Warrants)), (2) an Early Redemption Event (in the case of Guaranteed Notes or Guaranteed Certificates) or (3) an Early Termination Event has occurred (in the case of Guaranteed Warrants), on the Early Redemption Date (in the case of Guaranteed Notes or Guaranteed Certificates) or Early Termination Date (in the case of Guaranteed Warrants), pay the applicable Early Redemption Amount or Early Termination Amount, as the case may be, in full,

it will pay the Shortfall Amount (as defined below) in respect of each Guaranteed Security (the "**Guaranteed Obligations**") and the Guarantor will pay that sum in the currency in which such payment is due in immediately available funds.

In case of the failure of the Issuer to satisfy such obligations as and when the same become due, the Guarantor hereby undertakes to make or cause to be made such payment as though the Guarantor were the principal obligor in respect of such obligations after a demand has been made on the Guarantor pursuant to clause 7 hereof and provided that the Guarantor shall not be obliged to make any payment under this Guarantee until the Charged Assets have been realised or liquidated in full in the manner set out in Condition 12 of the Guaranteed Notes, Condition 13 of the Guaranteed Warrants or Condition 14 of the Guaranteed Certificates, as the case may be, and only if the holder of a Guaranteed Security has not received the full Final Redemption Amount (in the case of Guaranteed Notes or Guaranteed Certificates), the Cash Settlement Amount (in the case of Guaranteed Warrants) or Automatic Early Redemption Amount which would otherwise have been due on the Maturity Date (in the case of Guaranteed Notes), the Settlement Date (in the case of Guaranteed Warrants), Redemption Date (in the case of Guaranteed Certificates) or Automatic Early Redemption Date, as the case may be, (the "**Expected Settlement Amount**") or, where an Event of Default (other than an Event of Default resulting from a failure to pay the Final Redemption Amount (in the case of Guaranteed Notes and Guaranteed Certificates) or the Final Settlement Amount (in the case of Guaranteed Warrants)), an Early Redemption Event or an Early Termination Event has occurred and either (1) the Trustee has given a notice of Note Acceleration in accordance with Condition 11 of the Guaranteed Notes, of

Warrant Acceleration in accordance with Condition 12 of the Guaranteed Warrants or of Certificate Acceleration in accordance with Condition 13 of the Guaranteed Certificates in respect of the Guaranteed Securities or (2) the Issuer has given notice that it will redeem or cancel, as the case may be, the Securities, prior to their specified Maturity Date (in the case of Guaranteed Notes), the Settlement Date (in the case of Guaranteed Warrants) or Redemption Date (in the case of Guaranteed Certificates), as the case may be, (the date on which such notice expires, the "**Early Redemption Date**" (in the case of Guaranteed Notes or Guaranteed Certificates) or the "**Early Termination Date**" (in the case of Guaranteed Warrants)), the Expected Early Termination Amount.

For the purposes of this Guarantee:

- (a) "**Shortfall Amount**" means a pro rata share per Security of the amount, following the liquidation of the Charged Assets in the manner set out in Condition 12 of the Guaranteed Notes, Condition 13 of the Guaranteed Warrants or Condition 14 of the Guaranteed Certificates, as the case may be, by which the aggregate amount paid to the Holders of the Securities of the relevant Series by, or on behalf of, the Issuer is less than the aggregate Expected Settlement Amount or, if an Event of Default (other than an Event of Default resulting from a failure to pay the Final Redemption Amount (in the case of Guaranteed Notes and Guaranteed Certificates) or the Final Settlement Amount (in the case of Guaranteed Warrants)) has occurred, the Expected Early Termination Amount otherwise payable in respect of such Security plus, in each case, any amounts which are payable in accordance with the Order of Priority in priority to payments to the Holders which have not been satisfied by the Available Enforcement Proceeds provided that the Trustee shall apply all amounts received by it under this Guarantee in accordance with the Order of Priority specified in the applicable Final Terms after first having applied the Available Enforcement Proceeds in accordance with the Order of Priority.

For the purposes of determining the Shortfall Amount, the Expected Settlement Amount shall be the Final Redemption Amount (in the case of Guaranteed Notes or Guaranteed Certificates), the Cash Settlement Amount (in the case of Guaranteed Warrants) or Automatic Early Redemption Amount prior to any application of the limitation of the Issuer's obligations set out in Condition 8(i) of the Guaranteed Notes, Condition 9(i) of the Guaranteed Warrants or Condition 9(i) of the Guaranteed Certificates, as the case may be.

- (b) "**Expected Early Termination Amount**" means either (i) the Early Redemption Amount in respect of an Early Redemption Event (in the case of Guaranteed Notes or Guaranteed Certificates) or the Early Termination Amount in respect of an Early Termination Event (in the case of Guaranteed Warrants) or (ii) the fair market value of the relevant Security in respect of an Event of Default (other than an Event of Default resulting from a failure to pay the Final Redemption Amount (in the case of Guaranteed Notes and Guaranteed Certificates), the Final Settlement Amount (in the case of Guaranteed Warrants), the Early Redemption Amount (in the case of Guaranteed Notes and Guaranteed Certificates) or

the Early Termination Amount (in the case of Guaranteed Warrants)), as the case may be, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner on the Early Redemption Date or the Early Termination Date, as the case may be, prior to any application of the limitation of the Issuer's obligations set out in Condition 8(i) of the Guaranteed Notes Condition 9(i) of the Guaranteed Warrants or Condition 9(i) of the Guaranteed Certificates, as the case may be.

- (c) The Guaranteed Obligations shall not be deemed limited to the same extent as such sum or obligation due by the Issuer is itself limited by (i) the provisions of the Securitisation Act 2004 and (ii) the applicable Conditions, including, without limitation, (a) those Conditions relating to the applicable redemption amount or termination amount (which amount may be limited to the liquidation proceeds of the Charged Assets of the Compartment relating to such Security) and (b) those Conditions relating to Compartments, limited recourse, non-petition, subordination and priority of payments in respect of the relevant Guaranteed Security.

2. SUBROGATION OF THE GUARANTOR

The Guarantor will be fully and automatically subrogated to all rights of the holders of the Guaranteed Securities and the Trustee to payments of the Guaranteed Obligations, and to any rights appurtenant thereto, to the fullest extent permitted by applicable law to the extent of such payment in respect of amounts due in respect of the Securities which have been paid by the Guarantor under this Guarantee; provided that the Guarantor shall not without the consent of the Trustee be entitled to enforce or to receive any payments arising out of or based upon or prove in any insolvency or winding up of the Issuer in respect of such right of subrogation until such time as all Guaranteed Obligations due under this Guarantee have been paid in full.

3. THE GUARANTOR AS PRINCIPAL OBLIGOR

As between the Guarantor and the Trustee but without affecting the Issuer's obligations, the Guarantor will be liable under this Guarantee as if it were the sole principal obligor and not merely a surety provided that (i) the Issuer has failed to satisfy its obligations as and when they become due without regard to the limitations on the Issuer's obligations as set out in clause 1(c) (above), (ii) the Charged Assets have been realised or liquidated in full in the manner set out in Condition 12 of the Guaranteed Notes, Condition 13 of the Guaranteed Warrants, or Condition 14 of the Guaranteed Certificates, as the case may be, and (iii) a demand has been made on the Guarantor pursuant to clause 7 hereof. Accordingly, it will not be discharged, nor will its liability be affected, by anything which would not discharge it or affect its liability if it were the sole principal obligor (including (1) any time, indulgence, waiver or consent at any time given to the Issuer or any other person, (2) any amendment to any of the Conditions or to any security or other guarantee or indemnity, (3) the release of any such security, guarantee or indemnity or (4) the dissolution, amalgamation, reconstruction or reorganisation of the Issuer or any other person).

4. THE GUARANTOR'S OBLIGATIONS CONTINUING

The Guarantor's obligations under this Guarantee are and will remain in full force and effect by way of continuing security until no Shortfall Amount remains payable in respect of any Guaranteed Security. Furthermore, those obligations of

the Guarantor are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from the Guarantor or otherwise.

5. **DISCHARGE BY THE ISSUER**

If any payment received by, or to the order of, the holder of any Guaranteed Security is, on the subsequent bankruptcy or insolvency of the Issuer, avoided under any laws relating to bankruptcy or insolvency, such payment or obligation will not be considered as having discharged or diminished the liability of the Guarantor and this Guarantee will continue to apply in respect of any relevant Shortfall Amount as if such payment had at all times remained owing due by the Issuer.

6. **INCORPORATION OF TERMS**

The Guarantor agrees that it shall comply with and be bound by those provisions contained in the Conditions which relate to it.

7. **DEMAND ON THE GUARANTOR**

Any demand hereunder shall be given in writing addressed to the Guarantor served at its office at Legal CIB, 3 rue Taitbout, 75009 Paris, France. A demand so made shall be deemed to have been duly made five Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made five Paris Business Days after the Paris Business Day immediately following such day.

8. **DEPOSIT OF GUARANTEE**

This Guarantee shall be deposited with and held by the Trustee for the benefit of itself and the Holders.

9. **GOVERNING LAW**

This Guarantee and any non-contractual obligations arising out of or in connection herewith shall be governed by and construed in accordance with English law.

10. **JURISDICTION**

This clause is for the benefit of the Trustee for itself and on behalf of the Holders only. Subject as provided below, the courts of England shall have exclusive jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith and accordingly the Guarantor submits to the exclusive jurisdiction of the English courts to hear all suits, actions or proceedings (together hereinafter termed the "**Proceedings**") relating to any such dispute. The Guarantor waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. Nothing in this clause shall limit the rights of the Trustee to take any Proceedings against the Guarantor in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

11. SERVICE OF PROCESS

The Guarantor agrees that service of process in England may be made on it at its London branch, at 10 Harewood Avenue, London NW1 6AA (Attn: CIB Legal). Nothing in this Guarantee shall affect the right to serve process in any other manner permitted by law.

12. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Guarantee, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

IN WITNESS whereof this Guarantee has been executed and delivered by BNP Paribas as a deed on the date first above-mentioned.

Executed and delivered as a Deed

By BNP PARIBAS)
acting by)
acting under the authority)
of that company)

Witness's signature:

Name:

Address: _____

11. General Information

- (a) The text in the sub-paragraph entitled "BNPP" in the "No Significant Change" paragraph on page 679 of the Base Prospectus in the section entitled "General Information" shall be deleted and replaced with the following:
- “Save as disclosed on pages 59-65 (1.2 2012 first half results: Quarterly Series), page 66 (1.3 Long term credit ratings), page 66 (1.4 Related parties), page 66 (1.5 Risk factors), page 66 (1.6 Recent events), pages 69-74 (2.1 Consolidated Financial Statements as at 30 June 2012), pages 75-96 (2.1.1 Summary of significant accounting policies applied by the BNP Paribas Group) and pages 97-100 (2.1.2 Notes to the profit and loss account for the first half of 2012) of the Second Update to the 2011 Registration Document, there has been no significant change in the financial or trading position of the Group since 30 June 2012 (being the end of the last financial period for which interim financial information has been published).”
- (b) The text in the sub-paragraph entitled "BNPP" in the "Litigation" paragraph on page 679 of the Base Prospectus in the section entitled "General Information" shall be deleted and replaced with the following:

“Save as disclosed on page 86 of the Information Statement (*Legal proceedings*) and on page 144 of the Second Update to the 2011 Registration Document (Legal and arbitration proceedings), there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BNPP is aware), during the period covering at least the 12 months prior to the date of this Supplement which may have, or have had in the recent past, significant effects on either BNPP and/or the Group's financial position or profitability.”

**THIRD SUPPLEMENT DATED 27 MARCH 2013
TO THE BASE PROSPECTUS DATED 29 JUNE 2012**

SecurAsset, a public limited liability company (*société anonyme*) incorporated as a securitisation company under the laws of Luxembourg, having its registered office at 2-8 avenue Charles de Gaulle, L-1653 Luxembourg, registered with the Luxembourg trade and companies register with registration number B 144385.

Secured Note, Warrant and Certificate Programme

This third supplement (the "**Supplement**") constitutes a supplement for the purposes of Article 13 paragraph 1 of the Luxembourg Law on Prospectuses for Securities dated 10 July 2005, as amended (the "**Luxembourg Law on Prospectuses for Securities**").

This Supplement is supplemental to, and should be read in conjunction with, the base prospectus dated 29 June 2012 as supplemented pursuant to the first supplement dated 25 September 2012 and the second supplement dated 18 October 2012 (the "**Base Prospectus**") in relation to the €20,000,000,000 programme (the "**Programme**") arranged by BNP Paribas Arbitrage S.N.C. for the issuance of notes, warrants and certificates by SecurAsset. Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

SecurAsset as Issuer accepts responsibility for the information contained in this Supplement, including the information relating to Banca Nazionale del Lavoro S.p.A. ("**BNL**"), for which the Issuer accepts responsibility as to its correct reproduction only. BNL accepts responsibility for the information about itself contained in this Supplement. Each of SecurAsset and BNL (in respect of itself) declare that, having taken all reasonable care to ensure that such is the case, the information contained (or incorporated by reference) in this Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been produced for the purposes of specifying BNL as an Alternative Guarantor, describing an alternative form of Guarantee provided by BNL which may apply to certain Series of Securities issued under the Programme to clarify the disclosure relating to the Swap Agreement in the Base Prospectus, and consequently it:

- (i) incorporates a description of BNL in the Summary section of the Base Prospectus;
- (ii) incorporates additional risks in Risk Factors section of the Base Prospectus;
- (iii) incorporates a description of BNL as Guarantor in the Base Prospectus;
- (iii) incorporates by reference into the Base Prospectus additional documents relating to BNL as Guarantor;
- (v) incorporates into the Base Prospectus the form of the Guarantee provided by BNL;
- (vi) incorporates into the Taxation section of the Base Prospectus information relating to payments made by BNL as Guarantor;
- (vii) supplements the "General Information" section of the Base Prospectus with information relating to BNL; and
- (viii) amends the disclosure relating to the Swap Agreement in the Base Prospectus.

In accordance with Article 13 paragraph 2 of the Luxembourg Law on Prospectuses for Securities, where the prospectus relates to an offer of securities to the public, investors who have already agreed to purchase or subscribe for the securities before this Supplement is published have the right, exercisable within two working days after the publication of this Supplement, to withdraw their acceptances, provided that the new factor, mistake or inaccuracy arose prior to the final closing of the offer to the public and the delivery of the securities. The final date of the right of withdrawal shall be 2 April 2013.

To the extent that there is any inconsistency between (a) any statement in, or incorporated by reference in, the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference in, the Base Prospectus, the statements in (a) above will prevail.

Copies of this Supplement and the Base Prospectus are available at the office of BNP Paribas Securities Services, Luxembourg Branch (in its capacity as Issuing and Paying Agent), 33 rue de Gasperich, Howald-

Hesperange, L-2085 Luxembourg and on the Luxembourg Stock Exchange's website: "www.bourse.lu".

Save as disclosed in this Supplement, no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus has arisen or been noted.

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1. SUMMARY OF THE PROGRAMME

The following shall be added before the row beginning with "Description of Programme:" in the section entitled "SUMMARY OF THE PROGRAMME" on page 11 of the Base Prospectus:

"

Description of Banca Nazionale del Lavoro S.p.A.: 1. Key information on Banca Nazionale del Lavoro S.p.A.:

Banca Nazionale del Lavoro S.p.A. ("BNL") is a stock corporation under Italian law whose principal businesses, pursuant to article 4 of the Articles of Incorporation, consist of raising capital and lending in different forms, in Italy and overseas, and performing services in the traditional areas of finance and banking, including innovative activities, in conformity with their own regulation with corporate, retail and private customers. BNL may issue convertible bonds and other similar financial instruments, in conformity with the current national legislation, and set up open-end funds pursuant to the relevant applicable law.

The financial products which are offered by BNL may range from traditional short, medium or long-term loans to revolving lines of credit and payment services. The investments which are offered to BNL's customers consist of a wide range of funding such as, by way of example, mortgage loans and direct loans.

2. Share capital as of 31 December 2011:

Its share capital as of 31 December 2011 amounts to EUR 2,076,940,000 divided into 2,076,940,000 shares of EUR 1 each. Its fully paid-up and issued share capital as of 31 December 2011 amounts to EUR 2,076,940,000 divided into 2,076,940,000 shares of EUR 1 each.

3. Selected key financial information:

In millions of EUR

	31/12/2011	31/12/2010
Operating Income	3,085	3,021
Net interest	1,895	1,891
Total balance sheet	97,943	98,022
Shareholders' equity	5,095	5,120

4. Selected interim unaudited financial information:

In millions of EUR

	30/06/2012	30/06/2011
Net banking income	1,471	1,584
Interest income	1,007	981
Total balance sheet	92,148	93,295
Shareholders' equity	5,265	5,095"

The following shall be added before the row beginning with "Risk Factors (Securities):" in the section entitled "SUMMARY OF THE PROGRAMME" on page 13 of the Base Prospectus:

"

Risk Factors (BNL as an Alternative Guarantor):

There are certain factors that may affect BNL's obligations under any guarantee it provides in respect of any Securities and there are inherent risks in BNL's activities. These are set out under "Risk Factors" below and include, but are not necessarily limited to:

- risks arising from the economic-financial crisis;
- credit risk;
- risks relating to pending legal proceedings;
- liquidity risk;
- risk relating to the potential deterioration of BNL's credit worthiness;
- operational risk; and
- market risk.

2. RISK FACTORS

The sub-section entitled "E. Risks relating to Guaranteed Securities" on page 73 of the Base Prospectus (as modified by the second supplement to the Base Prospectus) shall be deleted in its entirety and replaced with the following:

"In the event the General Guarantee is specified as applicable in the applicable Final Terms, prospective purchasers of Guaranteed Securities should note that, unless otherwise stated in the applicable Final Terms and Supplemental Trust Deed, the Guarantee is a guarantee of the Issuer's obligations which are themselves limited by a number of factors including, but not limited to, the provisions of the Securitisation Act 2004 and the Terms and Conditions of the Notes, the Terms and Conditions of the Warrants or the Terms and Conditions of the Certificates (as the case may be), including, without limitation, those relating to (i) the applicable redemption amount (which may be limited to the liquidation proceeds of the Charged Assets of the Compartment relating to such Note, Warrant or Certificate, as the case may be), (ii) Compartments, (iii) limited recourse, (iv) non-petition, (v) subordination and (vi) priority of payments, as described in the Base Prospectus. Holders of Guaranteed Securities would therefore retain the risk that these factors may result in payments under the Guaranteed Securities being less than amounts which would otherwise have been due, as described in "*Risk Factors – Risks relating to the Issuer*".

In the event the Shortfall Guarantee is specified as applicable in the applicable Final Terms, prospective purchasers of Guaranteed Securities should note that the Guarantee is not a full guarantee of the Issuer's obligations but only relates to the payment of any Shortfall Amount (as defined in the Guarantee) and is conditional on (i) the Holders of the Securities receiving less than the amount which would otherwise have been payable in respect of the Securities on the Maturity Date (in the case of Notes), Redemption Date (in the case of Certificates), Settlement Date (in the case of Warrants), Early Redemption Date or Automatic Early Redemption Date (as applicable and in the case of Notes and Certificates) or Early Termination Date (in the case of Warrants), as the case may be, in accordance with the Terms and Conditions of the Notes, the Terms and Conditions of the Warrants or the Terms and Conditions of the Certificates (as the case may be) and (ii) the liquidation of the Charged Assets (either following the enforcement of the security for the Securities or following the occurrence of an Early Redemption Event or Early Termination Event). The Shortfall Amount represents the amount by which any Available Enforcement Proceeds are insufficient to meet (1) the Final Redemption Amount or Automatic Early Redemption Amount (as applicable and in the case of Notes or Certificates) or Cash Settlement Amount (in the case of Warrants) on the Maturity Date or Automatic Early Redemption Date (as applicable and in the case of Notes), Settlement Date (in the case of Warrants) or Redemption Date or Automatic Early Redemption Date (as applicable and in the case of Certificates), (2) the fair market value of the relevant Security following an Event of Default (other than an Event of Default resulting from a failure to pay the Final Redemption Amount (in the case of Notes or Certificates) or the Final Settlement Amount (in the case of Guaranteed Warrants)), an Early Redemption Event or an Early Termination Event or (3) such other amount as specified in the Final Terms.

In the event the BNL Guarantee is specified in the Final Terms, prospective purchasers of Guaranteed Securities should be aware that the Guarantee in respect of the Issuer's obligations is limited to those payment obligations which the Issuer fails to fulfil as a consequence of a failure by the Swap Counterparty to satisfy its payment obligation under the Swap Agreement as and when the same become due, and does not extend to any failure by the Issuer to fulfil its payment obligations for any other reasons. Accordingly, where the BNL Guarantee is specified in the Final Terms, if the Issuer is unable to meet some or all of its payment obligations under any Guaranteed Securities for reasons other than a failure by the Swap Counterparty to satisfy its payment obligations under the

Swap Agreement, the Guarantor will not be obliged to guarantee such payment obligations of the Issuer. In circumstances where the Issuer is unable to meet some or all of its payment obligations under any Guaranteed Securities because of both a failure by the Swap Counterparty to pay amounts when due from the Swap Counterparty under the Swap Agreement and for other reasons, the Guarantor's obligations under the Guarantee will be limited to the extent of the failure of the Swap Counterparty to satisfy its payment obligations under the Swap Agreement as and when the same become due. Accordingly, holders of Guaranteed Securities will, in the circumstances described above, retain the risk that payments under the Guarantee may be less than amounts which would otherwise have been due under the Guaranteed Securities."

The sub-sections entitled "G. Potential conflicts of interest in respect of Securities guaranteed by BNPP" and "H. Specific Risks relating to Certificates" (which start on page 73 of the Base Prospectus) shall be retitled "H. Potential conflicts of interest in respect of Securities guaranteed by BNPP" and "I. Specific Risks relating to Certificates", respectively, and the following shall be added after the sub-section entitled "F. Risks relating to the Guarantor Where the Guarantor is BNPP" in the section entitled "RISK FACTORS" on page 73 of the Base Prospectus:

"G. Risks relating to the Guarantor where the Guarantor is BNL

General warning about the economic-financial crisis

The current economic situation, the recent dynamic connected to financial markets, the perspectives concerning the stability and the economic growth of the country in which BNL operates, impact the earning capacity and the solvency of BNL and its creditworthiness. Factors such as investors' expectations and trust, the levels and the implied volatility of short and long term interest rates, exchange rates, the liquidity of the financial markets, the availability and the cost of capital, sovereign debt sustainability, family incomes and consumers' expenditure, the unemployment level, inflation and housing costs are of paramount importance to the crisis. Accordingly, during periods of economic and financial distress, such elements may have a detrimental impact by amplifying the risk factors, which are described hereunder, and may trigger financial losses, an increase in financing costs, a decrease in value of assets of BNL, causing a potential negative impact on BNL's liquidity and on its financial stability.

Credit risk

BNL is exposed to essentially the same credit risks which arise in the context of traditional lending activities. Accordingly – even though, with respect to the principles and methodologies set forth in Basel II and regulated by Italian supervisory authorities, pursuant to the implementation of EU Directive on the Capital Adequacy of Investment Firms and Credit Institutions, BNL's credit policies are designed to efficiently select customers in order to reduce the risk of insolvency, to diversify portfolios and to monitor market developments and trends, by carefully conducting a monitoring and supervisory activity on risk – the breach of contracts by customers or their inability to honour their obligations, or the lack of information or the improper information customers are provided with in connection with the respective financial and credit position, may trigger negative effects on economic, capital and/or financial conditions of BNL. Generally speaking, counterparts may not fulfil their obligations towards BNL due to a default event, lack of liquidity, operational malfunctioning or other reasons. The default of a relevant market operator or a perception as to the non-fulfilment of its obligations, could raise concerns about liquidity, losses or defaults of other institutions, that may in turn adversely affect BNL. Moreover, in certain circumstances, BNL could face the risk that credits in favour of third parties will not be payable. Furthermore, a decrease of the credit ratings related to third parties, whose securities and debt securities are held by BNL, may result in a loss and/or negatively affect BNL's ability to use again or differently such securities and

debt securities for the purpose of increasing the level of liquidity. Hence, a significant decrease of the credit ratings of BNL's counterparts could cause BNL's results to adversely differ from those anticipated. In several cases BNL may call upon further guarantees from counterparts that are facing financial distress, whereas complaints may be filed as to the amount of guarantees BNL has the right to obtain and to the value pertaining the assets involved in such guarantees. The default rates, decreases and complaints in relation to counterparts about the assessment of the guarantee significantly increase during periods of economic stress and market illiquidity. In particular, considering the current economic situation and the pressures arising in the context of sovereign debt, it should be noted that BNL is exposed only to risk relating to Italian sovereign debt. Therefore, BNL is not materially exposed to sovereign debts pertaining to other countries.

Risks relating to pending legal proceedings

In the ordinary course of business, BNL and its subsidiaries are involved in various legal civil proceedings (including proceedings concerning the capitalization of interest, derivatives and bonds) and administrative proceedings which could result in judgements and awards adverse to the financial interests of the BNL group. The BNL group establishes in its balance sheet an accrued liability for litigation matters when these matters present loss contingencies that may arise from pending proceedings, also taking into account the evaluation of any outside counsel handling the matter. As of 31 December 2011, the accrued liability amounted to Euro 279,765,000.

Liquidity risk relating to BNL

Liquidity risk is the potential inability of BNL to meet its contractual obligations as they become due. BNL's liquidity – since BNL conducts its business operations within an international group of primary standing and is endowed with policies and procedures to manage the liquidity risk – could be adversely affected due to the inability to enter into the capital markets through the issue of debt securities (secured or not), and to sell specific assets or to redeem its own investments, and due to unexpected negative cash flows or the duty to grant further guarantees.

Risk relating to the potential deterioration of BNL's credit worthiness (rating)

Credit ratings are an assessment of BNL's ability to pay its obligations. A potential deterioration of BNL's creditworthiness may indicate a reduced ability for BNL to fulfil its obligations, compared to previous years. BNL's credit rating is affected by the fact that BNL belongs to the BNP Paribas Group. Thus, as a result, the potential deterioration – whether actual or expected – of credit ratings relating to the BNP Paribas Group could cause a deterioration of BNL's rating. The potential deterioration of the Republic of Italy sovereign rating may adversely impact on BNL's rating as well.

Operational risk

BNL is exposed to operational risk in the same way as other banking institutions. Operational risk is a risk of losses a company undertakes when it attempts to conduct its business, resulting from breakdowns in internal procedures or external deliberate, unintentional or natural events. To this end, the purpose of the Compliance Function of BNL, as part of its ongoing mission, is to assist the bank in managing operational risks, by closely cooperating with business functions, in order to identify the mitigation actions to be taken, by monitoring the business-level of implementation and ensuring a coordination of the permanent control activities. At the end of the process, which was started in April 2008, and considering BNL's affiliation to a European banking group, in June 2011, the A.C.P. - Autorité de Contrôle Prudentiel - (the former Commission Bancaire) – authorised BNP

Paribas to allow BNL, from July 1, 2011, to calculate the required capital for operational risk on the basis of its empirical model – the so called "Advanced measurement approach" (AMA) under Basel II. Under AMA BNL is allowed to quantify the required capital for operational risk with its empirical method, plus an "add-on" factor in the amount of 50% of the capital absorption capacity, to be calculated pursuant to the internal model and to be applied until the end of each intervention required by Borsa Italiana regarding the assessment of expertise.

Market risk

Market risk is the risk that the value of financial instruments held by BNL will be adversely affected by changes in market factors (including, without limitation, interest rates, the price of securities and exchange rates) which may determine a deterioration of the capital stability of BNL. BNL – whose businesses are rather limited and which set up specific policies and procedures aimed at reducing the market risk, applying the same measuring and controlling model using a "value at risk" approach adopted by BNP Paribas, pursuant to the regulatory framework of Basel II and authorised by the competent supervisory authorities – is thus exposed to potential changes in the value of the financial instruments, due to the volatility of interest rates, exchange and currency rates, price of shares and of commodities and of credit spreads, and/or other risk factors. Such fluctuations may arise from factors such as changes in the general economic situation, the investors' appetite for investing, monetary and fiscal policies, market liquidity on a global scale, availability and cost of capital, interventions targeted by rating agencies, political occurrences, both on a local and international scale, armed conflicts and terrorist attacks. Considering the current economic situation and pressures relating to sovereign debt, it should be noted that BNL is exposed, in a limited way, to the risks relating to the Italian sovereign debt."

3. DOCUMENTS INCORPORATED BY REFERENCE

The following additional information contained in the following five documents (being BNL's Annual Report 2011, the Auditors' report on the consolidated financial statements of BNL for the year ended December 31, 2011, BNL's Annual Report 2010, the Auditors' report on the consolidated financial statements of BNL for the year ended December 31, 2010 and the BNL Group Interim Director's Report dated 30 June 2012), which has been previously published, that have been filed with the Luxembourg competent authority for the purpose of the Prospectus Directive and the relevant implementing measures in the Grand Duchy of Luxembourg and which are available on the Luxembourg Stock Exchange's website: "www.bourse.lu", shall be incorporated in, and form part of, the Base Prospectus:

- (i) BNL's 2011 Annual Report (the "**Annual Report 2011**") (which contains the audited consolidated financial statements of BNL as at, and for the year ending 31 December 2011);
- (ii) the auditors' report on BNL's Annual Report 2011 (the "**Auditors' Report 2011**");
- (iii) BNL's 2010 Annual Report (the "**Annual Report 2010**") (which contains the audited consolidated financial statements of BNL as at, and for the year ending 31 December 2010);
- (iv) the auditors' report on BNL's Annual Report 2010 (the "**Auditors' Report 2010**"); and
- (v) the BNL Group Interim Director's Report dated 30 June 2012 (the "**2012 Interim Report**").

The information incorporated by reference above is available as follows:

Information incorporated by reference	Reference
<i>Annual Report 2011 for BNL</i>	
Corporate governance	Page 58 of the Annual Report 2011
Consolidated balance sheet	Page 84 of the Annual Report 2011
Consolidated income statement	Page 86 of the Annual Report 2011
Comprehensive income	Page 87 of the Annual Report 2011
Changes of consolidated shareholders' Equity	Page 88 of the Annual Report 2011
Consolidated cash flow statement	Page 90 of the Annual Report 2011
Consolidated explanatory notes	Page 92 of the Annual Report 2011
Part A- Accounting policies	Page 93 of the Annual Report 2011
Part B – Information on the consolidated balance sheet	Page 115 of the Annual Report 2011
Part C – Information on the consolidated income statement	Page 180 of the Annual Report 2011
Part D – Comprehensive Income	Page 210 of the Annual Report 2011
Part E – Information on risks and related hedging policies	Page 212 of the Annual Report 2011
Part F – Information on consolidated equity	Page 330 of the Annual Report 2011
Part G – Business combinations	Page 341 of the Annual Report 2011
Part H – Related party transactions	Page 343 of the Annual Report 2011

Part I – Payment agreements based on equity Instruments	Page 350 of the Annual Report 2011
Part L – Segment reporting	Page 352 of the Annual Report 2011

Information incorporated by reference	Reference
<i>Auditors' Report 2011 for BNL</i>	
Entire document	Pages 1-3 of the Auditors' Report 2011

Information incorporated by reference	Reference
<i>Annual Report 2010 for BNL</i>	
Consolidated balance sheet	Page 113 of the Annual Report 2010
Consolidated income statement	Page 115 of the Annual Report 2010
Statement of comprehensive income	Page 116 of the Annual Report 2010
Statement of changes in consolidated shareholders' equity	Page 117 of the Annual Report 2010
Consolidated cash flow statement	Page 119 of the Annual Report 2010
Consolidated explanatory notes	Page 121 of the Annual Report 2010
Part A- Accounting policies	Page 122 of the Annual Report 2010
Part B – Information on the consolidated balance sheet	Page 146 of the Annual Report 2010
Part C – Information on the consolidated income statement	Page 213 of the Annual Report 2010
Part D – Comprehensive Income	Page 243 of the Annual Report 2010
Part E –Information on risks and related hedging policies	Page 245 of the Annual Report 2010
Part F – Information on consolidated equity	Page 366 of the Annual Report 2010
Part G – Business combinations	Page 377 of the Annual Report 2010
Part H – Related party transactions	Page 381 of the Annual Report 2010
Part I – Payment agreements based on equity Instruments	Page 388 of the Annual Report 2010
Part L – Segment reporting	Page 390 of the Annual Report 2010

Information incorporated by reference	Reference
<i>Auditors' Report 2010 for BNL</i>	
Entire document	Pages 1-3 of the Auditors' Report 2010

Information incorporated by reference	Reference
<i>2012 Interim Report</i>	
Key figures	Pages 5-6 of the 2012 Interim Report

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the Prospectus Regulation.

The Annual Report 2011, the Auditors' Report 2011, the Annual Report 2010, the Auditors' Report 2010 and the 2012 Interim Report each constitute a free courtesy translation of the original Italian text into English. BNL accepts responsibility in respect of the correct translation of these documents.

4. FORM OF GUARANTEE

The following shall be added after "Address:" on page 630 after the text inserted by paragraph 10(a) of the Second Supplement dated 18 October 2012 in the section entitled "FORM OF GUARANTEE":

"If the form of Guarantee specified as applicable in the applicable Final Terms is "BNL Guarantee" then the form of Guarantee will be as follows where BNL is the Guarantor:

THIS GUARANTEE is made on [●] by

BNL S.p.A. Via Vittorio Veneto 119, Rome, Italy (the "**Guarantor**"), in favor of the holders for the time being of the Securities (as defined below) (each a "**Holder**") acting through the Trustee (as defined below).

WHEREAS:

- 1) SecurAsset S.A. acting through its Compartment [●], of 2-8 avenue Charles de Gaulle L-1653 Luxembourg (the "**Issuer**") has established a programme for the issuance of securities (the "**Programme**") under a base prospectus dated [●] approved by the competent Luxembourg authority (the "**Base Prospectus**").
- 2) The Issuer intends to issue securities under the Programme relating to the Compartment [●] (the "**Securities**")
- 3) The Securities shall be publicly offered in Italy pursuant to the Prospectus Directive (Directive 2003/71/EC of the European Parliament and Council of the European Union), the Legislative Decree no. 58 of February, 24 1998, the implementing Consob Regulation and any securities law and regulations applicable from time to time in Italy.
- 4) Terms defined in the Terms and Conditions of the Securities, as amended and/or supplemented by the applicable Final Terms (the "**Conditions**"), and not otherwise defined in this Guarantee, shall have the same meanings when used in this Guarantee.

IN CONSIDERATION OF THE ABOVE

and subject as provided below, the Guarantor unconditionally and irrevocably guarantees to the Holders that, in case of the failure of the Issuer to satisfy its payment obligations under the Securities as and when the same became due, as a consequence and limited to the failure of the Swap Counterparty to satisfy its payment obligation under the Swap Agreement as and when the same became due, (the "**Guaranteed Obligations**") the Guarantor will satisfy such payment obligations in the currency in which such payment is due in immediately available funds.

The Guarantor undertakes to make such payment or satisfy such obligation after a demand has been made pursuant to Clause 5 hereof.

The Guaranteed Obligations shall not be deemed limited to the same extent as such sum or obligation due by the Issuer is itself limited by (i) the provisions of the Securitisation Act 2004 and (ii) the applicable Conditions.

This Guarantee shall be construed as an irrevocable and unconditional first demand autonomous guarantee (*garanzia autonoma a prima richiesta*) and not a surety (*fideiussione*). Therefore, it is understood that such written demand may be given to the Guarantor without any prior notice, restriction and condition, without any objection and inquiry whatsoever (including any set-off rights) regarding the grounds for such demand, without asking for any reason as to whether the amount has been lawfully requested and notwithstanding any objections by the Guarantor and with express irrevocable waiver to any set off and exception.

For the purposes of this Guarantee:

(a) "**Swap Agreement**" means the swap entered into by BNP Paribas S.A, and the Issuer on [●] relating to the Compartment [●] pursuant to the terms of a 2002 ISDA Master Agreement and the Schedule and confirmation thereto.

1. MAXIMUM AMOUNT

The maximum amount that the Guarantor may be required to pay or indemnify in respect of its obligations as Guarantor under this Guarantee shall not exceed the aggregate principal amount of [●] (the "**Maximum Amount**").

2. SUBROGATION OF THE GUARANTOR

The Guarantor will not be subrogated to all rights of the Issuer until such time as all Guaranteed Obligations due under this Guarantee have been paid in full.

3. DURATION

This Guarantee will become valid and effective as of the Issue Date of the Securities and will remain in full force and effect until no amounts remain payable in respect of the Securities and this Guarantee shall be released on the date on which the Holders are satisfied that all amounts which may be or become payable pursuant to, or in connection with, the Guaranteed Obligations have been definitively, irrevocably and unconditionally paid or discharged in full.

4. INCORPORATION OF TERMS

The Guarantor agrees that it shall comply with and be bound by those provisions contained in the Conditions which relate to it.

5. DEMAND ON THE GUARANTOR

Any demand hereunder shall be made by the Trustee acting for the benefit of the Holders in writing addressed to the Guarantor served at its office at BNL S.p.A., 119. Via Vittorio Veneto Rome, Italy and shall state the amount of the claim against the Guarantor in respect of the Guaranteed Obligations.

A demand so made shall be deemed to have been duly made five Business Days (as used herein, "**Italian Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Italy) after the day it was served or if it was served on a day that was not a Italian Business Day or after 5.30 p.m. (Milan time) on any day, the demand shall be deemed to be duly made five Italian Business Days after the Italian Business Day immediately following such day.

6. MISCELLANEA

All payments to be made by the Guarantor to the Holders under this Guarantee shall be made without set-off or counterclaim, exclusive of any tax of any nature and without any deduction or withholding whatsoever (including, without limitation, value added taxes, stamp and documentary taxes). If the Guarantor is obliged by law to make any deduction or withholding from any such payment, the amount due from the Guarantor in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, each Holder receives a net amount equal to the amount each Holder would have received had no such deduction or withholding been required to be made.

The Guarantor waives any right it may have of first requiring the Holders to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Guarantor under this Guarantee (*beneficio della preventiva escussione dell'Emittente*).

The Guarantor shall not be entitled to assign or transfer all or part of its obligations under this Guarantee.

7. GOVERNING LAW

This Guarantee and any non-contractual obligations arising out of or in connection herewith shall be governed by and construed in accordance with Italian law.

8. JURISDICTION

The courts of Rome shall have exclusive jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection of this Guarantee.

5. DESCRIPTION OF BNL

The following shall be added before the section entitled "BOOK ENTRY CLEARANCE SYSTEMS" on page 637:

"DESCRIPTION OF BANCA NAZIONALE DEL LAVORO S.P.A.

BNL, an Italian banking corporation, was founded as "*BNL Progetto SpA*" on February 1, 2007, and it was named "*Banca Nazionale del Lavoro SpA*" after the transfer of a line of business "commercial bank", with effect from October 1, 2007, from "*Banca Nazionale del Lavoro SpA*".

The latter, founded in 1913 as "*Istituto di Credito per la Cooperazione*", with the main mission consisting in financing Italian cooperative companies, was renamed as "*Banca Nazionale del Lavoro*" on March 18, 1929, and, on July 25, 1992, it became a stock corporation, pursuant to the resolution of the Shareholders' meeting as of 30 April 1992. On October 1, 2007, following the aforementioned transfer of the line of business, BNL entered the large International group BNP Paribas.

The statutory capital of the BNL, subscribed in full and wholly paid up, is equal to Euro 2,076,940,000, with no. 2,076,940,000 ordinary shares with a nominal amount of Euro 1 each, which are held as a whole by BNP Paribas S.A. – Paris.

It should be noted that, during 2011, the announced integration of BNP Paribas Personal Finance S.p.A. (**PF Italia**) with BNL S.p.A. (**BNL**) was finally completed, following the approval of a merger by incorporation of *PF Italia* and of the residual range of its businesses in BNL.

BNL's name is "*Banca Nazionale del Lavoro SpA*" and, in its corresponding contracted form, "BNL SpA" (as referred to in art. 1 of the Articles of Incorporation). The legal name is "BNL".

BNL is registered with the Register of Enterprises in Rome and has been assigned registration no. 09339391006. This registration number corresponds to the VAT number and to the taxpayer's number.

BNL is registered with the Register of Banks at Banca d'Italia, with registration no. 5676 and is the holding company of the Banca Nazionale del Lavoro Group (Register of banking Groups at Banca d'Italia – registration no. 1005).

BNL was established as "*BNL Progetto S.p.A.*" with deed by the Notary Liguori in Rome, on February 1, 2007, and the company name has been changed to "*Banca Nazionale del Lavoro S.p.A.*" on October 1, 2007.

Pursuant to art. 3 of the Articles of Incorporation, the duration of the BNL is set out until December 31, 2050. BNL is a stock corporation established under the laws of the Republic of Italy.

BNL has its registered office and General Administrative Office in Rome, Via V. Veneto 119, telephone number +39 06 47021.

BNL is subject to the management and coordination performed by the only shareholder BNP Paribas S.A. – Paris, pursuant to art.2497 of the Civil Code.

OVERVIEW

BNL's principal businesses, pursuant to article 4 of the Articles of Incorporation, consists of raising capital and lending in different forms, in Italy and overseas, and performing services concerning the traditional areas of finance and banking, including innovative activities, in conformity with their own regulation, addressing both to corporate, retail and private customers. BNL may also issue convertible bonds and other similar financial instruments, in conformity with the current national legislation, and set up open-end funds pursuant to the relevant applicable law.

The financial products which are offered to the public by the BNL group, may range from traditional short, medium or long-term loans to revolving lines of credit and payment services. The investments to the group's customers consist of a wide range of funding such as, by way of example, mortgage loans, direct loans and consumer credit.

ORGANISATIONAL STRUCTURE

BNL S.p.A. is the parent company of the BNL Group, which offers to Italian retail and corporate clients a whole range of banking and financial products and services, including dealing and brokerage services in relation to securities and currencies. Some specific activities are carried out by subsidiaries within the Group: easy credit (Artigiancassa S.p.A.), salary loans (cessione del quinto) (BNL Finance S.p.A.), and merchant acquiring (BNL Positivity S.r.l.).

The following list indicates the companies the BNL Banking Group, divided by areas of business, as of 31 December 2012:

Banks
Artigiancassa S.p.A.
Credit Financial Intermediaries
BNL Finance S.p.A.
Other Financial Intermediaries
BNL Positivity S.r.l.
Vela OBG S.r.l.
Instrumental Companies
EUTIMM S.r.l.
Companies in liquidation
Tamleasing S.p.A.

ACTIVITIES

As of 20 December 2012, the organisational structure of the General Administrative Office incorporates the changes passed by the Board of Directors of the Bank (during the meeting held on the 25th October 2012) for the purposes of simplification of operational and decision-making processes in order to adequately deal with the new challenges arising from developments in the external environment, to maximise the Bank's responsiveness to the continuous changes and to further increase its level of efficiency. To this end, in addition to the appointment of 4 Deputy

General Managers, it has been resolved:

- **to establish the Chief Operating Officer (COO)** role, directly reporting to the Managing Director, with responsibility for ensuring a consistent management of the "operational function" through the coordination of the Human Resources, IT and Operations Management Offices, the latter still in the process of being set up;
- **to establish the Chief Financial Officer (CFO)** role, directly reporting to the Managing Director, with responsibility for the Financial Management Office and the Real Estate Management Office;
- **to merge** the Production and Commercial Assistance Management Office (DPAC) and the Planning, Projects and Organization Management Office (DPPO) into a single unit, named **Operations Management Office**.

The following divisions operate as Business Lines:

- the **Retail and Private Division and the Corporate Division**, for the achievement of business, income, capital and customer satisfaction targets, as well as targets relating to the quality and cost of credit risk and the control/mitigation of operational risks for the relevant customers. Each Division is also responsible for the coordination of the relevant Local Network and for the development of synergies with the BNP Paribas Group Entities.
- the **BNPP-BNL Corporate and Investment Banking Division**, for the implementation of the corporate investment banking global business model within the main business lines. The Division is also responsible for the achievement of business, income, capital and customer satisfaction targets, as well as targets relating to the quality and cost of the credit risk and the control/mitigation of operational risks for the relevant clients.
- **Investment Solutions Italy**, for the implementation of the global business model of the companies comprising the Polo Investment Solutions, operating within the asset management, real estate and damage and life insurance industries.
- the **Operations Management Department**, created, as described above, by the merger between the Production and Commercial Assistance Management Department (DPAC) and the Planning, Projects and Organization Management Department (DPPO), for the provision of post-sales banking services to clients and to the Bank, for control of the development of the organisational structure, process management and lean banking activities (ACE) in an "end to end" model and the operations and sourcing's streamlining. It is also responsible for the coordination of the relevant Networks and for the development of the synergies with the other BNP Paribas Group Entities.

The following Functions operate in relation to the relevant governance procedures:

- Compliance Department;
- Communication Department;
- Financial Department;
- Real estate Department;
- IT Department;
- Legal Department;

- Risks Department;
- Human Resources Department;
- Inspection Générale – Hub Italy.

The distribution Network is based on the departments which are set out below:

- **5 Territorial Retail Departments** (North West, North East, North-central, South-central and Sardinia, South), responsible for the achievement of revenues objectives and commercial, financial, customer satisfaction, credit quality and cost of risk objectives, in relation to the Territorial Department of expertise. Moreover, it has set itself the goal of monitoring the levels of the results, identifying/analysing any critical situation and/or anomalous performances and defining/implementing the relevant corrective actions;
- **5 Corporate Territorial Departments** (North West, North East, North-central, South-central and Sardinia, South), responsible for the achievement of revenues objectives and commercial, financial, customer satisfaction, credit quality and cost of risk objectives, in relation to the Territorial Department of expertise. Moreover, it has set itself the goal of monitoring the levels of the results, identifying/analysing any critical situation and/or anomalous performances and defining/implementing the relevant corrective actions;
- **6 Groups of Production and Commercial Assistance Agencies** (North West, North East, Central, Latium-Sardinia, South, Rome), responsible for the achievement of efficacy/efficiency objectives relating to operational structures of expertise, in order to ensure internal/external customers satisfaction, optimize operational costs and monitor the relevant risks;
- **5 Risks Territorial Departments** (North West, North East, North-central, South-central and Sardinia, South), responsible for monitoring the activities aimed at issuing an opinion on credit, supervisory activities and credit recovery, providing, if necessary, specific technical support to commercial positions.

PRINCIPAL MARKETS

The BNL group is well positioned in Italy and, due to the entrance into the BNP Paribas Group and of its international influence, BNL takes on the role of a multi-faceted company, with the specific aim of allowing its domestic customers to operate abroad, especially with regard to the Mediterranean area.

As of 2 April 2012, BNL has 887 offices in the Country, with 14,133.

The BNL Group offers its financial products and financial/banking services to diversified customers, segmented by market, on the basis of specific criteria, in order to address customer-oriented policies. The relevant markets are the following:

- Corporate Division: comprises the segments:
 - Public Sector Market;
 - Corporate Market;
 - Big Customers.

The segmentation follows the legal status and the nature of the control exercised on it (Public Sector market) or the complexity or potential of customers (Corporate market and Big Customers).

- Retail and Private: **Retail**: comprises the following trade groups:

Individuals:

- Families and individuals with an aggregate supply less than Euro 250,000 or higher, in comparison to all customers that did not join the Private Banking model.

Business and Firms:

- Natural persons linked to companies Business and Firms in relation to the private component: business representatives or owners of individual companies,
- Professionals or self-employed in relation to both the professional and private* component; - Artisans*;
- Rural customers*;
- Retail market*.

*within the limits of relevant natural persons-customers (owners or dissenter) with an amount lower than Euro 100,000 of wealth, according to the figures deriving from last census.

- Retail and Private: **Private**:

Voluntary adherence to the model of service of the Private segment for customers with assets exceeding Euro 250,000, as a reference amount, or with the specific features corresponding to the model.

LEGAL PROCEEDINGS

In the ordinary course of business, BNL and its subsidiaries are involved in various legal civil proceedings (including proceedings concerning the capitalization of interest, derivatives and bonds) and administrative proceedings, which could result in judgements and awards adverse to the financial interests of the BNL group.

The BNL group establishes in its balance sheet an accrued liability for litigation matters when these matters present loss contingencies that may arise from pending proceedings, also taking into account the evaluation of any outside counsel handling the matter. As of 31 December 2011, the accrued liability amounted to Euro 279,765,000 Euro.

Proceedings concerning the capitalization of interests

BNL is involved in numerous legal proceedings (about 1,300) concerning the request of recovery of amount paid by depositors of the Bank, due to the capitalization of interest, before 2000 (in 2000, the legislator introduced the capitalization of interest income pro depositors, at the same intervals as those of interest expense).

Claw-back proceedings

Claw-back actions are brought before the Courts, with respect to the 6 months or the year before the customer was subject to default procedures, to condemn the Bank to pay back the amounts credited to the customer's accounts or to obtain a declaration of inefficiency of the acquired guaranties.

The average duration of these proceeding is esteemed at 12 years (3/4 years for the first instance; 2/3 years for the second instance and 2/3 years for the Court of Cassation).

In case of conviction, in the occurrence of unflattering events that may result in negative forecasts or periodically, BNL is required to make allowances in the amount corresponding to the expected expense.

The relevant risk allowance (IAS) is equal to about 28.8% of the nominal value of the pending proceedings and is deemed to be appropriate with respect to the results over the last five years.

The sentences declaring the inefficiency of the guaranties adversely affect the credit recovery expectations and, as a result, loans will be depreciated for an amount equal to the corresponding non-recoverable value.

As of 31 December 2011 the recovery proceedings of the holding company amounted to no.378 (417 as of 31 December 2010), with a *petitum* of Euro 561 million (Euro 614 million as of 31 December 2010) and the risk allowances amounts to Euro 162 million (Euro 163 million as of 31 December 2010).

MATERIAL CONTRACTS

BNL has not entered, out of the ordinary course of its business, any contract which is material to BNL's ability to meet its obligation to security holders in respect of Securities which it may guarantee.

SELECTED FINANCIAL INFORMATION

The key capital and economic ratios of BNL, calculated on the basis of the audited consolidated financial statements as of 31 December 2011 and 31 December 2010 are set out below.

Table 1: Regulatory capital and consolidated capital

	<i>In million of Euro and %</i>	
	31/12/2011	31/12/2010
Total Risk Ratio	10.5	10.2
Tier 1 Capital Ratio	7.7	7.2
Core Tier 1 Ratio	7.0 (*)	7.2
Risk weighted assets	75,348	77,154
Regulatory Capital	7,902	7,841
<i>basic</i>	5,797	5,543
<i>supplementary</i>	2,105	2,298

(*) Under Basel III, the core tier 1 ratio no longer contains, in 2011, non-innovative instruments.

During 2011, the core regulatory capital remained practically unchanged and the funding costs have been rationalised with the holding BNP Paribas granting a subordinated loan (lower Tier 2), in the amount of Euro 500 million, and the early redemption of a variable interest rate subordinated loan, in the amount of Euro 250 million (upper Tier 2). Moreover, the supplementary regulatory capital was affected, in the amount of Euro 244 million, by the maturity date and by repurchases, during 2011, of hybrid instruments (upper Tier 2) and, in the amount of Euro 200 million, by the depreciation calculated for prudential purposes. In this field, the subordinated funding, granted by BNP Paribas and calculated in the regulatory capital, amounted to Euro 1,700 million. Thus, there is clear evidence of the role played by the parent company in relation to the prudential requirements of BNL.

After the consultation between Banca d'Italia and the Autorité de Contrôle Prudentiel française (ACP), with effect from July 1, 2011, the BNP Paribas Group has obtained the approval for extending to BNL the use of an internal "Advanced Measurement Approach" (AMA) in calculating regulatory capital allocated to the operational risk. Furthermore, considering the results contained in BNL's Annual Report as of 31 December 2011, the Group received the authorization by the ACP to allow BNL to use the internal model on market risks. Under this approach, operational risk-weighted assets has fallen from Euro 4,915 million as of the end of the last financial year, to Euro 3,216 million (-34.6%), and the figure relating to market risk-weighted assets, which amounted to Euro 1,114 million as of 31 December 2010, has been cut down to Euro 125 million (-88.7%).

Table 2: Principal consolidated credit risk ratios

	31/12/2011	31/12/2010
		%
Gross doubtful loans / Gross loan to customers	7.8	6.5
Net doubtful loans / Net loan to customers	3.3	2.7
Gross impaired loans / Gross loan to customers	12.4	10.6
Net impaired loans / Net loan to customers	6.8	5.9

The worsening of the economic situation affected the asset quality and the **cost of the risk** associated with it, which registered a slowdown (-3.0%), though maintaining high levels (Euro 819 million, as opposed to Euro 844 million in 2010). This is mainly due to the reduced flows of the credit deterioration (-6.6%).

The **total amount of impaired loans**, after value adjustments, amounted to Euro 5,419 million and registered an increase of Euro 744 million (+16.7%) as opposed to December 31, 2010. The aggregate is 6.8% of the portfolio "loans to customers" (5.9% in 2010). In detail, with regard to deteriorated loans, doubtful loans are estimated at Euro 6,588 million (gross value) (+22.5%) and at Euro 2,602 million (net value) (+25.5%). Their coverage ratios, defined as the ratio of value adjustments to gross exposure for cash, is equal to 60.5%, while the impact on loans to customers is equal to 3.3%. The **substandard loans**, estimated at Euro 1,690 million after adjustments (Euro 2,464 million - gross value), registered an increase of 3%, as opposed to Euro 1,640 million as of 31 December 2010. The impact on loans to customers stands at 2.1% and the coverage ratio is 31.4%. **Restructured loans**, after value adjustments, increased during the fiscal year for an amount of Euro 138 million, standing at Euro 519 million (Euro 381 million at the end of 2010). Their coverage ratio is 20.3%. The value of **past due loans** is equal to Euro 712 million before adjustments, as of 31 December 2010 (Euro 647 million as of 31 December 2010) and to Euro 608 million – net value (as opposed to Euro 551 million); their coverage ratio is 14.6%. Finally, the loan portfolio in bonis to customers is covered by collective adjustments for a percentage standing at 0.7%, as of 31

December 2011(0.8% as of 31 December 2010).

Table 3: Principal figures of the consolidated income statement

(in million of Euro)

	Fiscal year 2011	Fiscal year 2010	Var %
Net interest	1,895	1,891	+0.2
Operating income	3,085	3,021	+2.1
Net financial income	2,404	2,294	+4.8
Operating costs	(1,917)	(2,059)	-6.9
Profit for the Parent Company	207	56	+269.6

Table 4: Principal figures of the consolidated balance sheet

(in million of Euro)

	Fiscal year 2011	Fiscal year 2010	Var %
Direct Customer deposits (1)	45,656	47,840	-4.6
Asset administration (2)	26,979	28,035	-3.8
Financial assets (3)	7,807	6,947	+12.4
Loans (4)	83,914	84,871	-1.1
Total balance sheet	97,943	98,022	-0.1
Shareholders Equity	5,095	5,120	-0.5
Share capital	2,077	2,077	-

(1) This includes debts to customers, outstanding securities and financial liabilities carried at fair value (structured securities).

(2) Other third parties securities on deposit (not including services of management of investment portfolios)

(3) This includes financial assets held for trading (item 20) and financial assets available for sale (item 40)

(4) This includes loans to banks (item 60) and loans to customers (item 70)

The total amount of **customers funding**, which includes both deposits and assets under administration, is esteemed at Euro 72,635 million as of 31 December 2011 and it registered a slowdown in the amount of 4.3% as opposed to the relevant figures of the end of the fiscal year 2010. **Asset under administration** have been adversely affected, especially from last summer, by the depreciation of financial assets in connection with the sovereign debt crisis, both in Italy and in other economically weak States of the Eurozone.

The **direct customer deposits** stands at one point dropping by 4.6%, compared to 31 December 2010. The decrease of the aggregate value is due to the composition of the funding in line with the current policy. In particular, debt securities, equal to Euro 9,535 million, decreased in the amount of 29.5% during the year (Euro 13,519 million in 2010); on the contrary, deposits from customers, amounting to Euro 36,121 million, increased significantly (+5.2%) (Euro 34,321 million in 2010), because of the strengthening of the territorial network, which occurred over the past years, and the special attention and commercial care to "corporate" customers.

During 2011, the shareholders equity registered a decrease of Euro 25 million due to changes which are set out below.

Besides the variation amounting to Euro 207 million, relating to the net profit of the Group, other increases (Euro 5 million) are due to:

- Euro 1 million, as a result of the entrance of PerMicro SpA into the Group, after the acquisition of the company by BNL on December 6, 2011;

- Euro 4 million, as a result of the costs relating to incentive bonuses to employees deriving from equity instruments of the parent company BNP Paribas (sale of BNP Paribas shares on a discount basis, stock options and stock granting), as provided by IFRS2 "Share-based payment transactions".

The decreases (Euro 237 million) are referred to the variations concerning the fair value of securities available for sale and essentially of Treasury Bonds, covered just from the rate risk. For a full description of the performance of the BNL's principal capital and economic figures, see the "Directors' report" of the consolidated financial statements as of 31 December 2011, available on the BNL's website.

SELECTED INTERIM UNAUDITED FINANCIAL INFORMATION

In millions of EUR

	30/06/2012	30/06/2011
Net banking income	1,471	1,584
Interest income	1,007	981
Total balance sheet	92,148	93,295
Shareholders' equity	5,265	5,095

MANAGEMENT

BNL has adopted the traditional model, set forth in article 2380, paragraph 1 of the Civil Code. BNL complies with the applicable corporate governance regulations of the Republic of Italy.

Management Board

The Management Board may be composed by a minimum of 5 members to a maximum of 16 members. The ordinary shareholders' meeting, held on April 26, 2012, appointed the Management Board, as for the fiscal year 2012-2014, that will be in charge until the meeting for the approval of the Annual Report as for the fiscal year 2014.

The members of the Management Board, in charge as of 27 March 2013 and the list of the principal activities performed outside the BNL and deemed to be significant with respect to BNL's business, are set forth in the following table:

Name	Function within BNL	Principal activities carried out by them, not on behalf of BNL, and deemed to be significant with respect to BNL's businesses
ABETE Luigi	Chairman	Chairman of A.BE.T.E. SpA, Italian Entertainment Group SpA, Cinecittà Studios SpA, Civita Servizi S.r.l and Assonime Managing Director Cinecittà Entertainment SpA Executive Officer of Cinecittà Entertainment SpA
EREDE Sergio	Vice Chairman	Chairman of Bolton Group International Srl Board Member of Luxottica Group SpA, Gruppo Editoriale L'Espresso SpA, Interpump Group SpA and Sintonia S.A. Partner of the Law Firm Bonelli Erede Pappalardo
GALLIA Fabio	CEO and General Manager	Member of the Executive Committee of BNP Paribas S.A. and Responsible for the BNP Paribas Group for Italy (since May 1, 2012), Chairman of Findomestic Banca SpA, Member of the Board of Directors of COESIA SpA
ABRAVANEL Roger	Member of the Board of Directors	Board Member of Luxottica Group, Coesia SpA, and Teva Pharmaceutical Industries Ltd
BLAVIER Philippe	Member of the Board of Directors Member of the Internal Auditing Committee	Board Member of Trafigura e Foncière du 6e et 7e arrondissements de Paris
BONNAFÉ Jean-Laurent	Member of the Board of Directors	CEO and member of the Executive Committee of BNP Paribas S.A.
CLAMON Jean	Member of the Board of Directors	Managing Director Compliance and Internal Control Coordination and Member of the Executive Committee of BNP Paribas S.A.
GIROTTI Mario	Member of the Board of Directors Coordinator of the Internal Auditing Committee	Chairman of Ifitalia SpA, Vice Chairman of Artigiancassa SpA and Vice Chairman of Servizio Italia SpA
LEMÉE Bernard	Member of the Board of Directors	None
MAZZOTTO Paolo	Member of the Board of Directors Member of the Internal Auditing Committee	Chairman of Fondazione BNL

MERLO Silvia	Member of the Board of Directors	CEO of Merlo SpA and Tecnoindustrie Merlo SpA , Member of the Board of Directors of Finmeccanica SpA
MICOSSI Stefano	Member of the Board of Directors Member of the Internal Auditing Committee	Chairman of CIR – Compagnie Industriali Riunite SpA. Member of the General Counsel of Assicurazioni Generali. General Manager of Assonime
SABET Jean-Paul	Member of the Board of Directors Member of the Internal Auditing Committee	Responsible for Mediterranean Europe/Turkey BNP Paribas S.A. – Retail Banking; Chairman of BNP Paribas Yastirimlar Holding – Turquie ; Vice Chairman of TEB Turkish Economy Bank
SIRE Antoine	Member of the Board of Directors	Manager of Brand, Communication and Quality of BNP Paribas S.A.
VILLEROY DE GALHAU François	Member of the Board of Directors	Chief Operating Officer of BNP Paribas S.A.

Updates relating to the composition of the Board will be publicly available, from time to time on the BNL's website.

All members of the Management Board fulfill the expertise, integrity and independence requirements established by current laws, regulations and statutory provisions.

All members of the Management Board, for the purposes of their role, are resident at the registered office of BNL.

Supervisory Board

The ordinary Shareholders' meeting, held on April 29, 2010, appointed the Supervisory Board, as for the fiscal years 2010-2012, that will be in charge until the Shareholders' meeting for the approval of the Annual Report for the fiscal year 2012, which is composed by three Standing Auditors and one Alternate Auditor.

The members of the Supervisory Board, in charge as of the date of this Prospectus and the list of the principal activities performed outside the BNL, and deemed to be significant with respect to the BNL's business, are set forth in the following table:

Name	Function within the BNL	Principal activities carried out by them, not on behalf of the BNL, and deemed to be significant with respect to the BNL's businesses
PICCINELLI Pier Paolo	Chairman of the Supervisory Board	Chairman of the Supervisory Board of De Simone & Partners SpA, Standing Auditor of Procter & Gamble Italia SpA.
MAISTO Guglielmo	Standing Auditor	Standing Auditor of Vodafone B.V.
PARDI Marco	Standing Auditor	Chairman of the Supervisory Board of SOPAF Capital Management Sgr SpA; LI-Tech SpA; Life Science Capital SpA
LUDOVICI Paolo	Alternate Auditor	Chairman of the Supervisory Board of Arx RE SpA.; Cerved Gruppo SpA; Investimenti Infrastrutture SpA
NACCARATO Giovanni	Alternate Auditor	Chairman of the Supervisory Board of Cesare Fiorucci SpA; ICQ Holding SpA; Agenzia Sviluppo Provincia di Roma Scarl

The updates relating to the composition of the Supervisory Board will be publicly available, from time to time on BNL's website.

All members of the Supervisory Board fulfill the expertise, integrity and independence requirements established by current laws, regulations and statutory provisions.

All members of the Supervisory Board, for the purposes of their role, are resident at the registered office of the BNL.

Internal Auditing Committee

The members of BNL's Internal Auditing Committee are set out in the table above under the heading "Management Board". The following tasks are assigned to BNL's Internal Auditing Committee, in consideration of its consultative and proactive functions toward the Board of Directors:

- to assist the Board of Directors in setting out the policies of the internal control system and to verify periodically their adequacy and actual functioning, making sure that the main

business risks are identified and adequately managed;

- to assess the business plan prepared by the Internal Audit Function Manager, the Compliance Function Manager, the Anti-Money laundering services Manager, the Basel 2 Certification Italy Manager, as well as their periodic and occasional reports;
- to report to the Board of Directors, at least every six months, during the approval of the budget draft and the half-yearly report, on the business activity carried out and on the adequacy of the internal control system;
- to carry out further tasks for which it has been appointed by the Board of Directors, particularly on corporate governance matters also in light of the new regulations on Banks prudential supervision relating to "Risk activities and conflicts of interest with associated persons";
- to give its opinion on the Board of Directors' proposals in relation to the appointment and removal of the Internal Audit Function Manager, the Compliance Function Manager, the Anti-Money laundering services Manager, the Basel 2 Certification Italy Manager, and to the determination of their financial remuneration, considering in this regard the Remuneration and Appointments Committee; and
- to examine the proposal for appointment of the Executive officer in charge of the drafting of the corporate accounts, to be submitted to the Board of Directors.

Conflicts of interest

Conflicts of interest of administrative, management and supervisory bodies are handled in compliance with article 2391 of the Civil Code, article 136 of the Legislative Decree No. 385/93 as subsequently amended and integrated, taking into account the provision in article 249-ter of the Civil Code. When specifically stated by law, these interests are considered in the Annual Report.

Considering the duty of disclosure for the members of the Management Board and Supervisory Board, BNL is not aware, as at 27 March 2013, of any relevant potential conflicts of interest between the duties to BNL of the members of the Management Board and members of the Supervisory Board listed above and their private interests and other duties.

MAJOR SHAREHOLDERS

As at 27 March 2013, BNP Paribas S.A. holds 100% of the BNL capital.

TREND INFORMATION

The Italian environment in which BNL conducts its businesses is still showing great uncertainties, with recovery plans having a positive impact on the appreciation of the sovereign risk, tempered by periods of recessions in production. Different factors adversely affect the credit growth and the levels of raised funds. In addition, other factors should be taken into account for the banks such as the need to be compliant with the new domestic or International legislation, concerning the protection of the stability of the financial system and of investors. In such a scenario, BNL intends to focus on the ongoing growth of the retail funding, applying competitive condition and in conformity with its role of bank for the real economy, supporting firms and families, paying attention to the monitoring of its own operational efficiency, pursuing initiatives that are quite specifically geared to the increase of consumption and investments. Moreover, BNL has set itself the goal of pursuing the professional training of resources and spreading a positive risk and compliance culture.

Besides the considerations relating to the influence of the current economic situation, as described in the section of the Base Prospectus entitled "RISK FACTORS"), BNL has no further information

on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the BNL's prospects for the current financial year."

6. TAXATION

The following shall be added before the sub-section entitled "PAYMENTS MADE BY A NON RESIDENT GUARANTOR (IF APPLICABLE)" on page 656 of the Base Prospectus in the section entitled "TAXATION – 7. ITALIAN TAXATION":

"PAYMENTS MADE BY BNL AS GUARANTOR

There is no express position of the Italian tax authorities on the tax treatment applicable on payments performed by a guarantor in lieu of the Issuer.

In principle, whilst payments made by the Italian Guarantor to the Holders of Securities in order to refund the amount invested in the Securities should not give rise to any tax liability since they do not qualify as payments of income, payments made by the Italian Guarantor to the Holders of Securities in relation to interest and other proceeds due on the Securities by the Issuer, may give rise to Italian tax liability.

According to a certain interpretation of Italian tax law, payments of interest performed by the Guarantor would have the same legal nature of that originally payable by the Issuer and thus could be treated, in certain circumstances, as a payment made by the relevant Issuer and thus be subject to the tax regime described in the previous paragraphs. Conversely, according to a different interpretation of the law the payments performed by the Guarantor change the nature of the amounts due since the Guarantor pays the relevant amount in relation to a different and new legal cause and thus the relevant tax treatment of the payments shall be examined based on such new legal cause and on the nature and residence of the recipient."

The following shall be added before the section entitled "BELGIAN TAXATION" on page 658 of the Base Prospectus in the section entitled "TAXATION – 7. ITALIAN TAXATION":

"FINANCIAL TRANSACTION TAX

Pursuant to Article 1(491 and followings) of Law No. 228 of 24 December 2012, a financial transaction tax (the **FTT**) applies to (i) transfers of property rights on shares and other participating securities issued by Italian resident companies; (ii) transfer of property rights on financial instruments representing these shares and/or participating securities, whether issued by Italian resident issuers or not (together the **Relevant Instruments**); and (iii) transactions on derivatives on the Relevant Instruments (i.e. having an underlying mainly represented by one or more of the Relevant Instruments or whose value is mainly linked to the Relevant Instruments) whether issued by Italian resident issuers or not.

With specific reference to the transactions on securitised derivatives on the Relevant Instruments (e.g. warrants, covered warrants and certificates) the FTT is due, as of 1 July 2013, regardless of the tax residence of the parties and/or where the transaction is executed. The FTT is levied at a fixed amount that varies depending on the features of the instruments and the notional value of the transaction in the range of EUR 0.01875 and EUR 200 per transaction.

According to article 9, paragraph 1, number 11 of the Ministerial Decree published in the Official Gazette n.50 of 28 February 2013 (the "Ministerial Decree"), the notional value of certificates is defined as "the number of certificates purchased or sold multiplied by the purchase or selling price".

In the case of physical settlement, the FTT is also due upon transfer of ownership rights on the underlying Relevant Instruments. A reduced FTT (1/5 of the over the counter rate) is laid down for transactions executed on regulated markets or multilateral trading facilities of an EU Member States and of the SEE included in the list set out by the Ministerial Decree issued pursuant to Article 168-bis of TUIR.

The FTT on derivatives is due by each of the parties to the transactions. The FTT is not applied where one of the parties to the transaction is, amongst others, the European Union, the ECB, central banks of the EU Member States, foreign Central Banks or entities which manage the official reserves of a foreign State, or international bodies or entities set up in accordance with international agreements which have entered into force in Italy. Further specific exemptions exist, inter alia, for (i) subjects who carry on market making activities; (ii) mandatory social security entities and pension funds set up according to Legislative Decree No. 252 of 5 December 2005; and (iii) entities merely interposed in the execution of a transaction.

The FTT shall be levied, and subsequently paid, to the Italian Revenue by the subject (generally a financial intermediary) that is involved, in any way, in the execution of the transaction. If more than one subject is involved in the execution of the transaction, the FTT is payable by the subject who receives the order of execution by the purchaser of the Relevant Instruments or by the ultimate counterparty. Subjects not resident in Italy can appoint an Italian representative for the purposes of the FTT. If no other subject is involved in the execution of the transaction, the FTT must be paid by each relevant party to the transaction. As stated in article 19 of the above cited Ministerial Decree, the Italian tax authorities will lay down in a specific measure (the so called "*Provvedimento del Direttore dell'Agenzia delle Entrate*") the practical details for the application of these taxes and relevant tax reporting obligations and specific arrangements for the payment of the tax and compliance with the instrumental requirements."

7. GENERAL INFORMATION

- (a) The table under the heading "**Administration, Management and Supervisory Bodies**" on page 633 of the Base Prospectus shall be deleted in its entirety and replaced with the following:

"Administration, Management and Supervisory Bodies

The directors of the Issuer are as follows:

<u>Director</u>	<u>Business address</u>	<u>Principal outside activities</u>
Damien Nussbaum	2-8, avenue Charles de Gaulle, L-1653 Luxembourg	Company managing director
Severine Canova	8, avenue Hoche, 75008 Paris, France	Company managing director
Pierre Harpes	50, avenue J.F. Kennedy, L-2951 Luxembourg	Head of Equity Forward Trading / Equity Financing Luxembourg at BGL BNP Paribas"

- (b) The following shall be added before the sub-section entitled "No Material Adverse Change" in the section entitled "GENERAL INFORMATION – Availability of Documents" on page 679:

"For the period of 12 months following the date of this Base Prospectus, copies and, where appropriate, English translations, of the following documents will be available for inspection at the registered office of Banca Nazionale del Lavoro S.p.A., in Italian language:

- (a) BNL's Articles of Incorporation;
- (b) BNL's Annual Report 2011;
- (c) BNL's Auditors' Report 2011;
- (d) BNL's Annual Report 2010; and
- (e) BNL's Auditors' Report 2010."

- (c) The following shall be added before the sub-section entitled "No Significant Change" in the section entitled "GENERAL INFORMATION – No Material Adverse Change" on page 679:

"BNL

There has been no material adverse change in the prospects of BNL or the BNL group since 31 December 2011 (being the end of the last financial period for which audited financial statements have been published)."

- (d) The following shall be added before the sub-section entitled "Litigation" in the section entitled "GENERAL INFORMATION – No Significant Change" on page 679:

"BNL

There has been no significant change in the financial or trading position of the BNL Group since 31 December 2011 (being the end of the last financial period for which audited financial information has been published)."

- (e) The following shall be added before the sub-section entitled "Clearing Systems" in the section entitled "GENERAL INFORMATION – Litigation" on page 679:

"BNL

Save as disclosed in the paragraph headed "Legal Proceedings in Section 5 above there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BNL is aware), during the period covering at least the 12 months prior to the date of this Base Prospectus which may have, or have had in the recent past, significant effects on BNL's financial position or profitability."

- (f) The following shall be added before the sub-section entitled "Board of Directors" in the section entitled "GENERAL INFORMATION – Auditors" on page 680:

"BNL

BNL's shareholders' meeting on April 29, 2010 decided to appoint as independent auditor, pursuant to the Legislative Decree No. 39/2010, from the fiscal year 2010 to the fiscal year 2018, Deloitte & Touche S.p.A. (the "**Auditor**") with its registered office at Via Tortona n. 25 – 20144 Milan, registered in the ordinary section of the Register of Enterprises (CCIAA) of Milan, with resolution no. 03049560166; enrolled at the Special Register of Audit Firms held by CONSOB pursuant to article 161 of the Italian Legislative Decree No. 58 of 24 February 1998 and to article 43, paragraph 1, letter i), of the Legislative Decree No. 39 of 27 January 2010, with resolution no. 14182 of 29 July 2003, register number 48 CONSOB code 264848, name of the Network to which it belongs: Deloitte Touche Tohmatsu.

Deloitte & Touche has audited the unconsolidated Annual Reports of BNL and the consolidated Annual Reports of BNL Group as of and for the fiscal years 2010 and 2011 and has issued an unqualified audit opinion thereon with specific reports. The Auditor's reports available to the public free of charge.

The auditors of BNL have no material interest in BNL."

8. SWAP AGREEMENT

The section of the Base Prospectus entitled "Swap Agreement" on page 83 of the Base Prospectus shall be amended by:

- (a) deleting the words "For the avoidance of doubt, the Issuer will not provide any credit support under the Credit Support Deed." on page 85 of the Base Prospectus in the sixth and seventh line of the fifth paragraph of the section entitled "Collateralisation"; and
- (b) adding the following new paragraphs above the words "Transactions where a Swap Agreement is the only Charged Asset" on page 86 of the Base Prospectus:

"For the avoidance of doubt, if so specified in the applicable Final Terms, the Issuer may also be required to provide collateralisation in respect of its obligations under the relevant Swap Agreement under any Credit Support Annex or Credit Support Deed entered into with the Swap Counterparty so that, as specified in the relevant Final Terms, either the Issuer or the Swap Counterparty or both of such parties may be required to provide collateralisation for the their respective obligations under the relevant Swap Agreement.

The amount of any collateralisation by the Issuer and the circumstances in which it is payable or deliverable will be set out in the applicable Final Terms provided that the collateral to be posted by the Issuer will be the Charged Assets in respect of the relevant Securities to which the Swap Agreement relates (the "**Issuer Posted Collateral**") and provided further that the Issuer shall not be required to post a principal amount of collateral greater than the principal amount of Charged Assets acquired by the Issuer in respect of the relevant Series to which the Swap Agreement relates.

Where the Issuer is required to deliver Issuer Posted Collateral to the Swap Counterparty under a Credit Support Annex or Credit Support Deed, the security granted over the relevant Charged Assets in favour of the Trustee will automatically be released without requiring the consent of the Trustee. Where the Swap Counterparty is obliged under the terms of the Credit Support Annex or Credit Support Deed to pay or deliver cash or securities (which will be equivalent to those securities originally posted by the Issuer) by way of a return amount, such cash or securities will become subject to the security granted in favour of the Trustee by the Issuer in respect of the relevant Series.

If a Credit Support Deed is entered into, under such Credit Support Deed the Issuer will post Issuer Posted Collateral for its obligations under the Swap Agreement and grant English law governed security over such Issuer Posted Collateral in favour of the Swap Counterparty. If a Credit Support Annex is entered into, under such Credit Support Annex the Issuer will post Issuer Posted Collateral for its obligations under the Swap Agreement and will do so by transferring title to such Issuer Posted Collateral under the terms of the Credit Support Annex.

Unless specified otherwise in the applicable Final Terms, the amount of credit support to be provided by the Issuer under a Credit Support Annex or Credit Support Deed will be adjusted on a weekly basis so that it is equal in value, as determined by the Calculation Agent, to an amount determined by the Calculation Agent in its sole discretion as the amount which would be payable by the Issuer in respect of the early termination of the Swap Agreement on such valuation date (or a percentage thereof, as specified in the applicable Final Terms) on each valuation date under the Credit Support Deed. Subject to the provisions of the Credit Support Deed, the Swap Counterparty will pay all cash, securities or other property it receives in respect of the Issuer Posted Collateral to the Issuer."

NOTA DI SINTESI DEL PROGRAMMA

La presente Nota di Sintesi deve essere letta come un'introduzione al presente Prospetto di Base, e ogni decisione di investimento nei Titoli di qualsiasi Serie deve essere basata su una valutazione del presente Prospetto di Base nella sua interezza, ivi inclusi qualsiasi documento incorporato mediante riferimento. Nessuna responsabilità civile sarà attribuita alle Persone Responsabili in uno qualsiasi degli Stati Membri dello Spazio Economico Europeo ("ognuno uno "Stato SEE") relativamente alla presente Nota di Sintesi, ivi inclusa ogni traduzione della stessa, ad eccezione dei casi in cui la stessa risulti fuorviante, imprecisa, o contraddittoria ove letta congiuntamente con le altre parti del presente Prospetto di Base. Qualora sia intrapresa un'azione legale in merito alle informazioni contenute nel presente Prospetto di Base innanzi ad un tribunale in uno Stato SEE, prima dell'inizio del procedimento giudiziario, al ricorrente potrebbe essere richiesto, ai sensi della legislazione nazionale dello Stato SEE in cui tale azione viene intrapresa, di sostenere i costi di traduzione del Prospetto di Base. Le parole e le espressioni definite nelle sezioni intitolate "Forma delle Notes", "Termini e Condizioni delle Notes", "Termini e Condizioni dei Warrants" o "Termini e Condizioni dei Certificates" avranno lo stesso significato nella presente Nota di Sintesi.

Descrizione dell'Emittente:

1. Informazioni essenziali su SecurAsset S.A.

SecurAsset S.A., una società a responsabilità limitata (*société anonyme*) le cui attività sono soggette al Securitisation Act 2004, è stata costituita il 23 gennaio 2009 ed è autorizzata e vigilata dalla CSSF.

Lo scopo e l'oggetto sociale dell'Emittente ai sensi dello statuto è quello di concludere ed eseguire, e agire come veicolo in, qualsiasi operazione consentita ai sensi del Securitisation Act 2004.

La sede legale dell'Emittente è 2-8 avenue Charles de Gaulle, L-1653 Lussemburgo.

2. Capitale sociale al 31 dicembre 2011

Il capitale sociale dell'Emittente al 31 dicembre 2011 è pari a Euro 31.000 suddiviso in 3.100 azioni, ognuna con valore pari a Euro 10.

Descrizione di BNP Paribas:

1. Informazioni essenziali su BNP Paribas:

BNP Paribas ("**BNPP**", o la "**Banca**") è una *société anonyme* di diritto francese autorizzata ad operare come banca. BNPP insieme alle sue controllate (il "**Gruppo**") è leader europea nella prestazione di servizi bancari e finanziari e opera in quattro mercati nazionali bancari al dettaglio in Europa, in particolare in Belgio, Francia, Italia e Lussemburgo.

2. Capitale sociale al 30 giugno 2012:

Euro 2.507.455.130 rappresentati da 1.253.727.565 azioni interamente versate con valore nominale pari a 2 Euro ciascuna (inclusa la registrazione dal 31 dicembre 2011 (i) dell'emissione di 12.694 azioni sottoscritte ai sensi dei piani di stock option, (ii) dell'emissione di 41.679.176 azioni derivanti dal pagamento di un dividendo azionario, e (iii) dell'emissione di 4.289.709 azioni derivanti da un aumento di capitale riservato agli aderenti al piano di risparmio aziendale (*Plan d'Epargne d'Entreprise de Groupe*)).

3. Principali attività e mercati:

BNP Paribas detiene posizioni chiave nelle tre attività che svolge:

- Servizi Bancari al Dettaglio: comprende un gruppo di Mercati Domestici (inclusa la rete delle succursali in Francia, Italia e Belgio), un ente per i Servizi Bancari Internazionali al dettaglio (che raggruppa reti al dettaglio in Europa, nel bacino Mediterraneo e negli Stati Uniti) e un ente per la Finanza Personale, leader nel mercato della finanza per i consumatori;
- Soluzioni di Investimento: offre una vasta gamma di prodotti e soluzioni ad alto valore aggiunto su scala mondiale, ideati per soddisfare tutte le richieste degli investitori privati, delle società e degli investitori istituzionali, ivi incluse *Private Banking* (BNP Paribas Wealth Management), la Gestione del Risparmio (BNP Paribas Investment Partners), le Attività Immobiliari (BNP Paribas Real Estate), le Attività Assicurative (BNP Paribas Cardiff), e i Servizi Finanziari (BNP Paribas Securities Services); e
- Corporate and Investment Banking (CIB): presta in sostanza servizi di finanziamento, consulenza e servizi nei mercati di capitali. Lo scopo principale di CIB è sviluppare e mantenere relazioni di lungo termine con i clienti, assisterli nelle loro strategie di espansione o di investimento nonché quello di fornire soluzioni globali per soddisfare le loro esigenze di finanziamento, consulenza e gestione del rischio.

4. Informazioni finanziarie selezionate sottoposte a revisione:

In milioni di Euro

	31/12/2011	31/12/2010
Ricavi	42.384	43.880
Costo del rischio	(6.797)	(4.802)
Utile netto, azioni del Gruppo	6.050	7.843
Azioni Ordinarie Coefficiente 1	9,6%	9,2%
Coefficiente 1	11,6%	11,4%
Totale dello stato patrimoniale consolidato	1.965.283	1.998.158

In milioni di Euro

	31/12/2011	31/12/2010
Finanziamenti consolidati e crediti verso la clientela	665.834	684.686
Voci consolidate di debito verso la clientela	546.284	580.913
Capitale azionario (azioni del Gruppo)	75.370	74.632

Descrizione di Banca Nazionale del Lavoro S.p.A.:

1. Informazioni essenziali su Banca Nazionale del Lavoro S.p.A.:

Banca Nazionale del Lavoro S.p.A. ("**BNL**") è una società per azioni di diritto italiano, le cui attività principali, ai sensi dell'articolo 4 dello Statuto, sono rappresentate dalla raccolta del risparmio e dall'esercizio del credito nelle sue varie forme, in Italia e all'estero, e dall'esercizio di servizi nelle tradizionali aree bancarie e finanziarie, anche ad alto contenuto innovativo, secondo la disciplina propria di ciascuna area, con clienti *corporate*, *al dettaglio* e privati. BNL può emettere obbligazioni convertibili ed altri titoli simili, nel rispetto delle vigenti disposizioni normative nazionali, nonché costituire fondi aperti ai sensi delle applicabili disposizioni di legge.

I prodotti finanziari offerti da BNL variano dai tradizionali prestiti a breve, medio o lungo termine alla concessione di linee di credito rotative e ai servizi di pagamento. Gli investimenti che sono offerti alla clientela di BNL sono rappresentati da un'ampia tipologia di finanziamenti quali, ad esempio, mutui ipotecari e prestiti diretti.

2. Capitale sociale al 31 dicembre 2011:

Il capitale sociale di BNL al 31 dicembre 2011 ammonta ad Euro 2.076.940.000 divisi in 2.076.940.000 azioni da Euro 1 ciascuna. Il suo capitale sociale interamente versato ed emesso al 31 dicembre 2011 ammonta ad Euro 2.076.940.000 divisi in 2.076.940.000 azioni da Euro 1 ciascuna.

3. Informazioni finanziarie selezionate:

In milioni di Euro

	31/12/2011	31/12/2010
Margine d'intermediazione	3.085	3.021
Margine d'interesse	1.895	1.891
Totale dello stato patrimoniale	97.943	98.022
Capitale azionario	5.095	5.120

4. Informazioni finanziarie provvisorie selezionate non sottoposte a revisione:

In milioni di Euro

	30/06/2012	30/06/2011
Margine netto dell'attività bancaria	1.471	1.584
Margine d'interesse	1.007	981
Totale dello stato patrimoniale	92.148	93.295
Capitale azionario	5.265	5.095

Descrizione del Programma:

Programma per l'emissione di Notes, Warrants e Certificates Garantiti

Fattori di Rischio (Emittente):

Vi sono alcuni fattori che possono incidere sulla capacità dell'Emittente di adempiere ai propri obblighi in relazione ai Titoli emessi sulla base del Programma. Tali fattori sono descritti di seguito nella sezione "Fattori di Rischio" e ricomprendono il fatto che l'attività esclusiva dell'Emittente consista nel concludere, eseguire e agire come veicolo in qualsiasi operazione consentita ai sensi del Securitisation Act 2004. L'Emittente non ha, e non avrà, attività che siano disponibili per i Portatori dei Titoli diverse dalle Attività del Comparto e altri *Charged Assets* da esso acquisiti, in ogni caso in relazione all'emissione di Titoli o ad altri obblighi contratti, di volta in volta, nell'ambito del Programma. La capacità dell'Emittente di adempiere ai propri obblighi derivanti dai Titoli dipenderà dai pagamenti percepiti ai sensi degli accordi di copertura (ove previsti) generalmente con BNP Paribas o BNP Paribas Arbitrage S.N.C., dalla controparte ai sensi di qualsiasi accordo di deposito, e dalle Attività del Comparto acquistate (se applicabile) con i proventi di ogni Serie. Di conseguenza, l'Emittente è esposto alla capacità delle controparti, in relazione a tali accordi di copertura o accordi di deposito, di adempiere ai propri obblighi ai sensi di tali accordi e al merito creditizio delle stesse. La controparte di ogni accordo di copertura potrà o meno fornire misure di sostegno del credito per i propri obblighi. Qualora la controparte della copertura ("*hedging counterparty*") fornisca tali misure di sostegno del credito, tale misura potrà consistere in un ammontare inferiore all'ammontare nominale complessivo delle Notes in circolazione o all'ammontare dovuto ai sensi dei Warrants o dei Certificates. I Portatori dei Titoli (diversi dai portatori di Notes Garantite, Warrants Garantiti e Certificates Garantiti) avranno diritto a valersi solamente sui *Charged Assets* del Comparto attraverso il quale vengono emessi i Titoli. L'Emittente (agendo attraverso il relativo Comparto) sarà l'unica parte responsabile rispetto ai Titoli. Nel caso di procedure concorsuali dell'Emittente, i Portatori delle Notes, i Portatori di Warrants e i Portatori di Certificates supporteranno il rischio di ritardo del regolamento delle pretese che potrebbero avere nei confronti dell'Emittente in virtù delle Notes, dei Warrants o dei

Certificates, a seconda dei casi, o il rischio di ricevere, in relazione alle loro pretese, quella parte dell'ammontare risultante dalla liquidazione del patrimonio dell'Emittente che rimane a seguito della soddisfazione dei creditori privilegiati (come di seguito meglio descritto nella sezione "Fattori di Rischio"). Inoltre, esistono alcuni rischi in relazione ai contratti di custodia ai sensi dei quali le Attività del Comparto sono detenute, anch'essi descritti di seguito nella sezione " Fattori di Rischio"

Fattori di Rischio (Garante):

Vi sono alcuni fattori che possono avere un impatto (ove applicabile) sugli obblighi di BNPP ai sensi della Garanzia (ove applicabile):

Nove principali categorie di rischio sono inerenti alle attività svolte dalla Banca:

- Rischio di Credito;
- Rischio di Controparte;
- Rischio di Mercato;
- Rischio Operativo (ivi incluso il rischio di *compliance* e reputazionale);
- Rischio di Gestione Attivo-Passivo ("*Asset-Liability Management Risk*");
- Rischio di Liquidità e Rifinanziamento;
- Rischio di Stipula di Polizze Assicurative;
- Rischio di Break-even (ossia il rischio di incorrere in una perdita operativa dovuta a un cambiamento del contesto economico che comporta una diminuzione dei ricavi associato ad un'insufficiente elasticità dei costi);
- Rischio di Strategia; e
- Rischio di Concentrazione.

Le difficili condizioni economiche e del mercato potrebbero avere in futuro un effetto negativo significativo sul contesto in cui operano le istituzioni finanziarie e dunque sulla situazione finanziaria della Banca, sui risultati operativi e sul costo del rischio.

L'azione legislativa e regolamentare intrapresa in risposta alla crisi finanziaria globale può avere un impatto concreto su BNPP e sul contesto finanziario ed economico in cui essa è operativa.

L'accesso di BNPP ai finanziamenti e il costo dei finanziamenti potrebbero essere influenzati negativamente da un ulteriore deterioramento della crisi del debito sovrano dell'eurozona, da un peggioramento delle condizioni economiche, da un downgrade dei ratings o da altri fattori.

Un sostanziale aumento delle nuove provviste o un'insufficienza nel livello delle provviste registrate in precedenza potrebbe avere un

impatto negativo sui risultati operativi della Banca e sulle condizioni finanziarie.

La Banca potrebbe subire perdite significative nello svolgimento delle proprie attività di negoziazione e investimento derivanti dalle fluttuazioni del mercato e dalla volatilità dello stesso.

La Banca potrebbe generare minori rendimenti dall'attività di intermediazione e da altre attività remunerate su base commissionale durante i ribassi del mercato.

La potratte fase ribassista del mercato può ridurre la liquidità nei mercati rendendo più difficile la vendita dei beni e ciò potrebbe causare perdite rilevanti.

Sostanziali cambiamenti dei tassi di interesse potrebbero avere un impatto negativo sui ricavi della Banca o sulla redditività della stessa.

La solidità e la condotta delle altre istituzioni finanziarie e dei partecipanti al mercato potrebbero avere un impatto negativo sulla Banca.

La posizione competitiva della Banca potrebbe essere danneggiata se la propria reputazione viene lesa.

Un'interruzione o una violazione dei sistemi di informazione della Banca potrebbe comportare una perdita di affari o altre perdite.

Eventi esterni imprevedibili potrebbero interrompere l'operatività della Banca e causare ingenti perdite e costi aggiuntivi.

La Banca è soggetta a regimi normativi ampi ed in evoluzione nei paesi e nelle regioni in cui opera.

Nonostante le politiche, procedure e modalità di gestione del rischio adottate dalla Banca, questa potrebbe comunque essere esposta a rischi non individuati o imprevedibili che potrebbero causare ingenti perdite.

Le strategie di copertura della Banca potrebbero non prevenire le perdite.

La Banca potrebbe incontrare delle difficoltà nell'integrazione delle società acquisite, e potrebbe non essere in grado di realizzare i benefici attesi dalle acquisizioni.

L'intensa concorrenza, specialmente in Francia dove la Banca ha la maggiore concentrazione del proprio business, potrebbe avere un effetto negativo nei ricavi e nella redditività della Banca.

Fattori di Rischio (BNL come Garante Alternativo)

Vi sono certi fattori di rischio che possono avere un impatto negativo sugli obblighi assunti da BNL ai sensi di qualsiasi garanzia da questa fornita in relazione a qualsiasi Titolo, e vi sono rischi relativi alle attività di BNL. Questi sono descritti nella sezione "Fattori di Rischio" di seguito e includono, senza pretesa di esaustività:

- rischi derivanti dalla crisi economico-finanziaria;
- rischio di credito;
- rischi relativi a procedimenti giudiziari pendenti;
- rischio di liquidità;
- rischio relativo al potenziale deterioramento del merito di credito di BNL;
- rischio operativo; e
- rischio di mercato

Fattori di Rischio (Titoli):

Ci sono alcuni fattori rilevanti ai fini della valutazione dei rischi di mercato connessi ai Titoli emessi sulla base del Programma. Tali rischi sono riportati di seguito nella sezione "*Fattori di Rischio*" e comprendono l'esposizione a: uno o più indici, o un indice personalizzato, azioni, indici su inflazione, interessi in un *exchange traded fund*, un *exchange traded note*, un *exchange traded commodity* o altro prodotto *exchange traded* (ognuno uno "**strumento exchange traded**"), merci e/o indici su merci, tassi di cambio, fondi e/o credito di una o più entità di riferimento (ognuno un "**Sottostante di Riferimento**"), leva finanziaria, certi fattori che influenzano il valore e il prezzo di negoziazione dei Titoli, determinate considerazioni relative alla copertura, specifici rischi relativi alle Index Linked Notes (Notes collegate ad un Indice), agli Index Linked Warrants (Warrants collegati ad un Indice) e agli Index Linked Certificates (Certificates collegati ad un Indice) (ivi incluse le Index Linked Notes, gli Index Linked Warrants e gli Index Linked Certificates collegati a un indice immobiliare o un indice personalizzato), Share Linked Notes (Notes collegate ad Azioni), Share Linked Warrants (Warrants collegati ad Azioni) e Shared Linked Certificates (Certificates collegati ad Azioni) (ivi incluse le Share Linked Notes, gli Share Linked Warrants e gli Share Linked Certificates collegati a un Global Depositary Receipt ("**GDR**") e/o ad un American Depositary Receipt ("**ADR**"), Commodity Linked Notes (Notes collegate a Merci), Commodity Linked Warrants (Warrants collegati a Merci), e Commodity Linked Certificates (Certificates collegati a Merci), Currency Linked Notes (Notes collegate a Valuta), Currency Linked Warrants (Warrants collegati a Valuta) e Currency Linked Certificates (Certificates collegati a Valuta), Fund Linked Notes (Notes collegate a un Fondo), Fund Linked Warrants (Warrants collegati a un Fondo) e Fund Linked Certificates (Certificates collegati a un Fondo), ETI Linked Notes, ETI Linked Warrants ed ETI Linked Certificates e Credit Linked Notes (Notes collegate a un credito) e Credit Linked Certificates (ciascuno come di seguito definito), specifici rischi relativi a Titoli collegati a fondi speculativi o Notes collegate a un Sottostante di Riferimento di un mercato emergente o un mercato in via di sviluppo; specifici rischi relativi alle Dynamic Notes, ai Dynamic Warrants e ai Dynamic Certificates, limiti alla liquidità dei Titoli qualora la denominazione comprenda multipli integrali, eventi di

turbativa del mercato o mancata apertura di una borsa, mancato rimborso, ulteriori adeguamenti, potenziali eventi di adeguamento o eventi straordinari che influenzano le azioni, gli interessi in strumenti exchange traded o azioni di fondi, eventi straordinari di fondi, informazioni successive all'emissione, cambiamenti nella legislazione, effetti di una riduzione del rating, potenziali conflitti di interesse, rimborsi anticipati, variazioni dei tassi di interesse, variazioni del tasso di cambio, possibile mancanza di liquidità dei Titoli nel mercato secondario e il rischio che le attività del Sottostante di Riferimento che garantiscono i Titoli (ove previsto) potrebbero non essere realizzabili per l'intero valore nominale. Inoltre, in relazione a qualsiasi Titolo, solamente il Trustee può intraprendere azioni (ivi inclusi procedimenti di esecuzione) nei confronti dell'Emittente, e non è obbligato ad intraprendere tali azioni senza prima essere manlevato e/o garantito a suo soddisfacimento.

Fattori di Rischio (Struttura del Comparto):

L'Emittente è stato costituito come una *société de titrisation* ai sensi del Securitisation Act 2004 che prevede che le pretese delle Parti Garantite contro l'Emittente saranno, di regola, limitate al patrimonio netto del relativo Comparto attraverso il quale le rispettive Serie (e/o le Tranche a seconda dei casi) vengono emesse. Di conseguenza, in relazione a qualsiasi Comparto e a qualsiasi Titolo (ad eccezione di ogni Titolo che sia una Note Garantita, un Warrant Garantito o un Certificate Garantito) tutti i pagamenti relativi ai Titoli e al relativo Accordo di Swap (ove previsto) saranno effettuati dall'Emittente solamente sulla base dell'ammontare delle somme ricevute o riscosse di volta in volta da, o per conto dell' Emittente o del Trustee, relativamente ai *Charged Assets* e, a seguito di una Decadenza del Beneficio del Termine relativamente ad una Note (*Note Acceleration*), di una Decadenza del Beneficio del Termine relativamente ad un Warrant (*Warrant Acceleration*), o di una Decadenza del Beneficio del Termine relativamente ad un Certificate (*Certificate Acceleration*), il diritto del portatore delle Notes, dei Warrants o dei Certificates sarà limitato alla quota proporzionale dei proventi dei *Charged Assets* spettante al Portatore della Note, del Warrant o del Certificate, a seconda dei casi, distribuiti secondo l'Ordine di Priorità specificato nelle relative Condizioni Definitive e non sul patrimonio di altri Comparti creati dall'Emittente o su ogni altra attività dell'Emittente e, in caso di Notes Garantite, Warrants Garantiti o Certificates Garantiti, le somme ottenute per suo conto dal Trustee, esercitando la relativa Garanzia, nei termini stabiliti nelle relative Condizioni Definitive e ai sensi delle disposizioni della relativa Garanzia. Una volta che tutto il denaro ricevuto dal Trustee in base all'esecuzione della Garanzia del Comparto sui *Charged Assets* sia distribuito secondo l'Ordine di Priorità previsto nelle relative Condizioni Definitive e nell'Atto di Trust, il Trustee non potrà più intraprendere alcuna azione nei confronti dell'Emittente per la riscossione di qualsiasi altra somma dovuta e il diritto di ricevere tale somma si estinguerà. In ogni caso, né il portatore di una Note, di un Warrant o di un Certificate né qualsiasi persona per suo conto avrà il diritto di agire per la liquidazione dell'Emittente a seguito di qualsiasi insolvenza. I Portatori di Notes con l'acquisto di Notes, i Portatori di Warrants, con l'acquisto di Warrants, e i Portatori di

Certificates, con l'acquisto di Certificates, espressamente accettano le disposizioni del Securitisation Act 2004, e sono considerati vincolati dalle stesse, e con particolare riferimento alle disposizioni relative al ricorso limitato al relativo Comparto, alla mancanza di legittimazione, alla subordinazione e priorità dei pagamenti.

L'Emittente può di tanto in tanto aggiornare i fattori di rischio in qualsiasi supplemento al presente Prospetto di Base.

Fattori di Rischio specifici per una particolare Serie di Titoli, ivi inclusi quelli in relazione a qualsiasi Garanzia emessa relativamente a tali Serie, potranno inoltre essere riportati nelle relative Condizioni Definitive.

I potenziali investitori dovrebbero consultare il proprio consulente professionale al fine di valutare qualsiasi rischio, per quanto lo ritengano necessario.

Fattori di Rischio (Titoli Garantiti):

L'Emittente può includere fattori di rischio aggiuntivi in relazione a ogni Garante Alternativo, alle Notes Garantite, ai Warrants Garantiti o ai Certificates Garantiti, nel relativo supplemento al prospetto di base che sarà reso disponibile dall'Emittente prima dell'emissione delle Notes Garantite, Warrants Garantiti o Certificates Garantiti che sono garantiti da un Garante Alternativo (salvo il caso in cui l'Emittente non emetta Notes Garantite, Warrants Garantiti o Certificates Garantiti non quotati che sono offerti in modo tale da non richiedere un prospetto ai sensi dell'articolo 3(2) della Direttiva Prospetto).

Garante (se applicabile):

BNPP può garantire i Titoli o i Titoli possono essere garantiti da ulteriori diversi garanti indicati nelle relative Condizioni Definitive o nel supplemento al prospetto di base (ciascuno un "**Garante Alternativo**" e, congiuntamente con BNP Paribas, ognuno un "**Garante**", a seconda dei casi).

L'Emittente non emetterà Notes Garantite, Warrants Garantiti o Certificates Garantiti (diversi da Notes Garantite, Warrants Garantiti o Certificates Garantiti non quotati che sono offerti in modo tale da non richiedere un prospetto ai sensi dell'articolo 3(2) della Direttiva 2003/71/CE del Parlamento Europeo e del Consiglio dell'Unione Europea (la "**Direttiva Prospetto**")) che sono garantite da un Garante Alternativo, salvo che non abbia preventivamente reso disponibile un supplemento al prospetto di base che descriva il relativo Garante Alternativo, le condizioni della Garanzia e l'effetto di ognuna di tali Garanzie sulle Notes, sui Warrants o sui Certificates, a seconda dei casi.

Arranger:

BNP Paribas Arbitrage S.N.C.

Dealers (Operatori in Acquisto):

BNP Paribas Arbitrage S.N.C., BNP Paribas e ogni altro *Dealer* nominato ai sensi del *Dealer Agreement*.

Comparti, Charged Assets (Attività Garantite) e Attività del Comparto:

I Titoli saranno emessi in Serie (come definito nelle sezioni intitolate "*Termini e Condizioni delle Notes*", "*Termini e Condizioni dei Warrants*" e "*Termini e Condizioni dei Certificates*"). Ai sensi del

Securitisations Act 2004, il consiglio di amministrazione dell'Emittente (il "**Consiglio di Amministrazione**") può costituire uno o più comparti. In relazione ad ogni Serie di Titoli, per "**Comparto**" si intende il comparto nell'ambito del quale tali Titoli vengono emessi. Ogni Comparto sarà composto da un insieme di *Charged Assets* (come definiti nella Condizione 8(c) (*Security del Comparto*) della sezione "*Termini e Condizioni delle Notes*", nella Condizione 9(c) (*Security del Comparto*) della sezione "*Termini e Condizioni dei Warrants*" e nella Condizione 9(c) (*Security del Comparto*) della sezione "*Termini e Condizioni dei Certificates*") separato dai *Charged Assets* relativi ad ogni altro Comparto. I *Charged Assets* possono includere, tra l'altro, ogni Attività del Comparto, Attività Liquide e/o Accordo di Swap (come definito nella sezione "*Descrizione dell'Accordo di Swap*") e/o Accordo di Deposito (come definito nella sezione "*Descrizione dell'Accordo di Deposito*") e/o Accordo di Riacquisto (*Repurchase Agreement*) (come definito nella sezione "*Descrizione del Repurchase Agreement*") e/o ogni altro Accordo Correlato (come definito nella "*Nota di Sintesi – Accordi Correlati*"). I *Charged Assets* saranno descritti nelle relative Condizioni Definitive.

Le attività del Comparto possono includere, senza limitazioni, partecipazioni, diritti e interessi in, e obblighi rispetto a, obbligazioni, notes, warrants, crediti o titoli azionari di qualsiasi forma, denominazione, tipo o emittente, garanzie, quote di fondi, finanziamenti o ogni altra obbligazione finanziaria trasferita all'Emittente o da esso percepita o ogni altra concordata attività posseduta dall'Emittente o ogni altra attività specificata nelle relative Condizioni Definitive.

I *Charged Assets* sono disponibili esclusivamente per il soddisfacimento delle pretese delle Parti Garantite (come definite nella Condizione 8(e) (*Assegnazione dei Proventi*) della sezione "*Termini e Condizioni delle Notes*", nella Condizione 9(e) (*Assegnazione dei Proventi*) della sezione "*Termini e Condizioni dei Warrants*" e nella Condizione 9(e) (*Assegnazione dei Proventi*) della sezione "*Termini e Condizioni dei Certificates*" del relativo Comparto. Inoltre, ove così indicato nelle relative Condizioni Definitive, gli obblighi dell'Emittente relativi alle Notes, ai Warrants o ai Certificates possono essere assistiti da una Garanzia rilasciata da un Garante, essendo tali Notes delle Notes Garantite (come definite nella Condizione 3 (*Stato delle Notes; Notes Garantite*)), tali Warrants dei Warrants Garantiti (come definito nella Condizione 2 (*Stato dei Warrants; Warrants Garantiti*)) e tali Certificates dei Certificates Garantiti (come definito nella Condizione 2 (*Stato dei Certificates; Certificates Garantiti*)).

Accordi Correlati:

In relazione all'emissione di ogni Serie di Titoli e al relativo Comparto, il Consiglio di Amministrazione dell'Emittente può decidere di stipulare uno o più Accordi Correlati, che possono comprendere, senza pretesa di esaustività, qualsiasi Accordo di Swap, Accordo di Deposito, Accordo di Riacquisto (*Repurchase Agreement*) e/o documenti di sostegno del credito.

Security del Comparto (Garanzia del Comparto):	Fermo restando quanto disposto nelle relative Condizioni Definitive, ogni Serie di Titoli beneficerà della <i>Security</i> del Comparto come definita nella Condizione 8(c) (<i>Security del Comparto</i>) nella sezione " <i>Termini e Condizioni delle Notes</i> ", nella Condizione 9(c) (<i>Security del Comparto</i>) nella sezione " <i>Termini e Condizioni dei Warrants</i> " e nella Condizione 9(c) (<i>Security del Comparto</i>) nella sezione " <i>Termini e Condizioni dei Certificates</i> " e nelle relative Condizioni Definitive.
Parti Garantite:	Solo le Parti Garantite (come definite nella Condizione 8(e) (<i>Assegnazione dei Proventi</i>) nella sezione " <i>Termini e Condizioni delle Notes</i> ", nella Condizione 9(c) (<i>Assegnazione dei Proventi</i>) nella sezione " <i>Termini e Condizioni dei Warrants</i> " e nella Condizione 9(c) (<i>Assegnazione dei Proventi</i>) nella sezione " <i>Termini e Condizioni dei Certificates</i> ") avranno (i) il diritto di partecipare ai proventi dei <i>Charged Assets</i> e (ii) il diritto di beneficiare di ogni <i>Security</i> del Comparto come specificato nelle relative Condizioni Definitive.
Ordine di Priorità:	Le pretese dei Portatori dei Titoli di qualsiasi Serie e delle altre Parti Garantite aventi diritto a beneficiare della <i>Security</i> del Comparto creata per il relativo Comparto (come specificato nelle relative Condizioni Definitive e nell'Atto di Trust), saranno classificate secondo l'Ordine di Priorità indicato nelle relative Condizioni Definitive.
Trustee:	BNP Paribas Trust Corporation UK Limited e ogni successore è nominato ai sensi dell'atto di trust datato 6 febbraio 2009 (l'" Atto di Trust ") come da ultimo modificato e rideterminato il [29] giugno 2012 effettuato tra, <i>inter alia</i> , l'Emittente e il Trustee.
Agente per l'Emissione e Incaricato dei Pagamenti, Agente Principale per i Warrants e i Certificates, Addetto ai Registri e Agente per il Trasferimento:	BNP Paribas Securities Services, Succursale lussemburghese.
Agente Incaricato dei Pagamenti:	BNP Paribas Securities Services, Succursale lussemburghese e/o ogni altro agente incaricato dei pagamenti aggiuntivo o ogni successore nominato in conformità con la Condizione 6 (<i>Pagamenti</i>) nella sezione " <i>Termini e Condizioni delle Notes</i> ".
Agenti per i Warrants e i Certificates:	BNP Paribas Securities Services, Succursale lussemburghese e/o ogni altro agente aggiuntivo o ogni successore nominato ai sensi del Contratto di Agenzia.
Banca Depositaria:	BNP Paribas Securities Services, Succursale lussemburghese. Uno o più sub-depositari possono essere nominati in relazione alle Attività del Comparto. L'Emittente si riserva il diritto di cambiare la Banca Depositaria in ogni momento previo consenso scritto del Trustee ai sensi delle disposizioni del Securitisation Act 2004, delle istruzioni e/o delle linee guida della CSSF e della Condizione 8(b) (<i>Banca Depositaria; Conto di Deposito; Conto della Banca; Conto del Comparto</i>) nella sezione " <i>Termini e Condizioni delle Notes</i> ", Condizione 9(b) (<i>Banca Depositaria; Conto di Deposito; Conto</i>

della Banca; Conto del Comparto) nella sezione "Termini e Condizioni dei Warrants" e Condizione 9(b) (Banca Depositaria; Conto di Deposito; Conto della Banca; Conto del Comparto) nella sezione "Termini e Condizioni dei Certificates".

Gestore della liquidità:	BNP Paribas Securities Services, Succursale lussemburghese, se specificato nelle relative Condizioni Definitive.
Conto della Banca:	BNP Paribas Securities Services, Succursale lussemburghese, se specificato nelle relative Condizioni Definitive.
Ammontare del Programma:	Fino a €20.000.000.000 (o l'equivalente in altre valuta come determinato ai sensi del <i>Dealer Agreement</i>) in Titoli in circolazione in qualsiasi momento. L'Emittente può aumentare l'ammontare del Programma in conformità con le condizioni stabilite nel <i>Dealer Agreement</i> .
Distribuzione:	I Titoli possono essere distribuiti attraverso un collocamento pubblico o privato.
Forma delle Notes:	Ogni Serie (e/o Tranche, a seconda dei casi) di Notes (come definite nella sezione "Termini e Condizioni delle Notes") indicata nelle relative Condizioni Definitive regolate dalla legge inglese sarà emessa in forma di Notes al Portatore (con o senza le relative cedole) o di Notes Nominative (senza le relative cedole) al di fuori degli Stati Uniti d'America nell'ambito di operazioni non soggette a registrazione ai sensi del Securities Act sulla base dell'esenzione dalla registrazione prevista dal Regulation S. Le Notes al Portatore al momento dell'emissione saranno rappresentate da una <i>global</i> Note temporanea o da una <i>global</i> Note permanente come specificato nelle relative Condizioni Definitive. Le <i>global</i> Notes temporanee saranno scambiabili o con (a) partecipazioni in <i>global</i> Notes permanenti o (b) con Notes al Portatore Definitive, come indicato nelle relative Condizioni Definitive. Le <i>global</i> Notes permanenti saranno scambiabili con Notes al Portatore Definitive, in circostanze limitate, ivi incluso al verificarsi di un Evento di Scambio, come descritto nella sezione "Forma delle Notes". Le Notes Nominative saranno rappresentate all'emissione da una <i>Global</i> Note Nominativa che potrà essere scambiata con Notes Nominative Definitive in determinate circostanze indicate nella suddetta <i>Global</i> Note Nominativa. Le Notes Nominative non potranno essere scambiate con Notes al Portatore e vice versa. Tutti i pagamenti, ivi inclusi quelli relativi agli interessi e al capitale e quelli dovuti alla scadenza o ad altro titolo, saranno pagabili solamente al di fuori degli Stati Uniti d'America.
Condizioni delle Notes:	Le Notes possono essere emesse interamente versate o parzialmente versate e ad un prezzo di emissione alla pari o a sconto, o premio.

Le Notes possono essere denominate in qualsiasi valuta e con qualsiasi scadenza concordata, nel rispetto di ogni restrizione di legge o regolamento e ogni requisito imposto dalla rispettiva banca centrale (o autorità equivalente).

Le Notes possono essere emesse come notes collegate a indici ("**Index Linked Notes**"), notes collegate ad azioni ("**Share Linked Notes**"), notes collegate a titoli di debito ("**Debt Linked Notes**"), notes collegate a merci ("**Commodity Linked Notes**"), notes collegate a indici di inflazione ("**Inflation Index Linked Notes**"), notes collegate a valuta ("**Currency Linked Notes**"), notes collegate ad un fondo ("**Fund Linked Notes**"), notes collegate a strumenti *exchange traded* ("**ETI Linked Notes**"), notes collegate ad un rischio di credito ("**Credit Linked Notes**"), notes dinamiche ("**Dynamic Notes**") e notes market access ("**Market Access Notes**") o ogni altra o ulteriore tipologia di notes ivi incluse le notes ibride ("**Notes Hybrid**") laddove il Sottostante di Riferimento può essere una combinazione di tali indici, azioni, debiti, valute, merci, indici di merci, indici di inflazione, azioni o quote di fondi, interessi in strumenti *exchange traded*, il credito di determinati enti di riferimento o altre categorie di beni o tipologie.

I periodi e i tassi degli interessi e/o gli importi pagabili al rimborso possono variare a seconda delle Notes emesse e tali condizioni saranno specificate nelle relative Condizioni Definitive.

Le relative Condizioni Definitive indicheranno o che le Notes non possono essere rimborsate prima della scadenza stabilita (salvo il caso di rimborso rateale stabilito, se applicabile o per motivi fiscali o a seguito di un Evento di Default), o che tali Notes (se le Notes prevedono la Consegna Fisica) potranno essere regolate alla scadenza alternativamente con la ricezione da parte dei portatori di un importo in denaro e/o con consegna fisica (salvo, il caso di Notes Garantite, come previsto nella Garanzia) del quantitativo a cui dà diritto ciascun titolo ("*Entitlement*") (specificato nelle relative Condizioni Definitive) o che tali Notes saranno rimborsabili a scelta dell'Emittente e/o del Portatore di Notes, o che tali Notes saranno rimborsabili a seguito di una scadenza opzionale del relativo Accordo di Swap da parte della Controparte dello Swap. Le condizioni di ognuno di tali rimborsi, ivi incluso il periodo di notifica, ogni condizione da soddisfare, e la data di rimborso e il prezzo relativo, saranno indicate nelle relative Condizioni Definitive.

Le relative Condizioni Definitive possono prevedere che le Notes siano rimborsabili in due o più rate di quell'ammontare e in quelle date indicate nelle relative Condizioni Definitive.

Le Notes saranno emesse con quelle denominazioni concordate tra l'Emittente e i rispettivi Dealer(s) e indicate nelle relative Condizioni Definitive, fermo restando che la denominazione minima di ogni Note sarà quell'ammontare consentito o richiesto di volta in volta dalla rispettiva banca centrale (o autorità equivalente) o da qualsiasi legge o regolamento applicabile alla Valuta Specificata (vedi

"*Determinate Limitazioni*").

Forma dei Warrants:

Ogni Serie (e/o Tranche, a seconda dei casi) di Warrants (come definiti nella sezione "*Termini e Condizioni dei Warrants*") che le relative Condizioni Definitive indicheranno essere regolata dalla legge inglese, sarà emessa come Clearing System Warrants (come definito nella sezione "*Termini e Condizioni dei Warrants*") o di Warrants Nominativi (come definite nella sezione "*Termini e Condizioni dei Warrants*") emessi al di fuori degli Stati Uniti d'America nell'ambito di operazioni non soggette ai requisiti di registrazione ai sensi del Securities Act sulla base dell'esenzione dalla registrazione prevista dal Regulation S.

I Clearing System Warrants al momento dell'emissione saranno rappresentati da un Clearing System *Global Warrant* come specificato nelle relative Condizioni Definitive.

I Warrants Nominativi saranno rappresentati all'emissione da un *Global Warrant* Nominativo che potrà essere scambiato con Warrants Nominativi Definitivi in determinate circostanze indicate nel suddetto *Global Warrant* Nominativo.

Gli interessi in un Clearing System *Global Warrant* non possono essere scambiati con gli interessi di un *Global Warrant* Nominativo e vice versa.

Condizioni dei Warrants:

I Warrants possono essere emessi ed esercitabili in ogni valuta concordata e in ogni Periodo di Esercizio e Data di Esercizio concordato, nel rispetto di ogni restrizione di legge o regolamento e ogni requisito imposto dalla rispettiva banca centrale (o autorità equivalente).

I Warrants possono essere Warrants American Style o Warrants European Style. I Warrants American Style possono essere regolati con le modalità indicate nella sezione "*Termini e Condizioni dei Warrants*" in ogni Giorno Lavorativo di Esercizio nel corso del Periodo di Esercizio. I Warrants European Style possono essere esercitati con le modalità indicate nella sezione "*Termini e Condizioni dei Warrants*" alla Data di Esercizio. I Warrants Cash Settled possono essere automaticamente regolati.

I Warrants possono essere emessi come warrants collegati a indici ("**Index Linked Warrants**"), warrants collegati ad azioni ("**Share Linked Warrants**"), warrants collegati a titoli di debito ("**Debt Linked Warrants**"), warrants collegati a merci ("**Commodity Linked Warrants**"), warrants collegati a indici di inflazione ("**Inflation Index Linked Warrants**"), warrants collegati a valuta ("**Currency Linked Warrants**"), warrants collegati a fondi ("**Fund Linked Warrants**"), warrants collegati a strumenti *exchange traded* ("**ETI Linked Warrants**"), warrants dinamici ("**Dynamic Warrants**"), warrants *market access* ("**Market Access Warrants**"), o in ogni altra o ulteriore tipologia di warrants ivi inclusi i warrants ibridi ("**Hybrid Warrants**") per i quali il Sottostante di Riferimento

può essere una qualsiasi combinazione di tali indici, azioni, debiti, valute, merci, indici di merci, indici di inflazione, azioni o quote di fondi, il credito di determinati enti di riferimento o altre categorie di beni o tipologie.

Le condizioni e/o l'ammontare pagabile all'esercizio e alla cancellazione possono variare a seconda dei Warrants emessi e tali condizioni saranno specificate nelle relative Condizioni Definitive.

Le relative Condizioni Definitive indicheranno che i Warrants non possono essere cancellati prima della loro Data di Scadenza (salvo in caso di acquisto successivo, al verificarsi di eventi relativi all'Evento di Scadenza Anticipata o un Evento di Default) o che tali Warrants (se si tratta di Warrants che prevedono la Consegna Fisica) possono essere regolati alla data di regolamento alternativamente con la ricezione da parte dei portatori di un importo in denaro e/o mediante consegna fisica (ad eccezione del caso di Warrants Garantiti, come previsto dalla Garanzia) del quantitativo a cui hanno diritto (Entitlement) (indicato nelle relative Condizioni Definitive). Le condizioni di ogni cancellazione, ivi incluso il periodo di avviso, ogni relativa condizione da soddisfare e la relativa data e prezzo di cancellazione saranno indicati nelle relative Condizioni Definitive.

I Warrants saranno emessi al prezzo di emissione come può essere concordato dall'Emittente e il relativo Dealer(s) come indicato nelle relative Condizioni Definitive.

Forma dei Certificates:

Ogni Serie (e/o Tranche, a seconda dei casi) di Certificates (come definiti nella sezione "*Termini e Condizioni dei Certificates*") che le relative Condizioni Definitive indicheranno essere regolata dalla legge inglese, sarà emessa come Clearing System Certificates (come definito nella sezione "*Termini e Condizioni dei Certificates*") o di Certificates Nominativi (come definite nella sezione "*Termini e Condizioni dei Certificates*") emessi al di fuori degli Stati Uniti d'America nell'ambito di operazioni non soggette ai requisiti di registrazione ai sensi del Securities Act sulla base dell'esenzione dalla registrazione prevista dal Regulation S.

I Clearing System Certificates al momento dell'emissione saranno rappresentati da un Clearing System Global Certificate come specificato nelle relative Condizioni Definitive.

I Certificates Nominativi saranno rappresentati all'emissione da un Global Certificate Nominativo che potrà essere scambiato con Certificates Nominativi Definitivi in determinate circostanze indicate nel suddetto Global Certificate Nominativo.

Gli interessi in un Clearing System Global Certificate non possono essere scambiati con gli interessi di un Global Certificate Nominativo e vice versa.

Condizioni dei Certificates:

I Certificates possono essere emessi interamente versati o parzialmente versati e ad un prezzo di emissione alla pari o a sconto, o premio.

I Certificates possono essere denominati in qualsiasi valuta e con qualsiasi data di esercizio concordata, nel rispetto di ogni restrizione di legge o regolamento e ogni requisito imposto dalla rispettiva banca centrale (o autorità equivalente).

I Certificates possono essere emessi come certificates collegati a indici ("**Index Linked Certificates**"), certificates collegati ad azioni ("**Share Linked Certificates**"), certificates collegati a titoli di debito ("**Debt Linked Certificates**"), certificates collegati a merci ("**Commodity Linked Certificates**"), certificates collegati a indici di inflazione ("**Inflation Index Linked Certificates**"), certificates collegati a valuta ("**Currency Linked Certificates**"), certificates collegati a fondi ("**Fund Linked Certificates**"), certificates collegati a strumenti *exchange traded* ("**ETI Linked Certificates**"), certificates collegati al credito ("**Credit Linked Certificates**"), certificates dinamici ("**Dynamic Certificates**"), certificates *market access* ("**Market Access Certificates**"), o in ogni altra o ulteriore tipologia di certificates ivi inclusi i certificates ibridi ("**Hybrid Certificates**") per i quali il Sottostante di Riferimento può essere una qualsiasi combinazione di tali indici, azioni, debiti, valute, merci, indici di merci, indici di inflazione, azioni o quote di fondi, il credito di determinati enti di riferimento o altre categorie di beni o tipologie.

I periodi e i tassi degli interessi e/o gli importi pagabili all'esercizio possono variare a seconda dei Certificates emessi e tali condizioni saranno specificate nelle relative Condizioni Definitive.

Le relative Condizioni Definitive indicheranno o che i Certificates non possono essere rimborsati prima della loro data di esercizio stabilita (salvo il caso di rimborso rateale stabilito, se applicabile o per motivi fiscali o a seguito di un Evento di Default), o che tali Certificates (se i Certificates prevedono la Consegna Fisica) potranno essere regolati all'esercizio alternativamente con la ricezione da parte dei portatori di un importo in denaro e/o con consegna fisica (salvo, il caso di Certificates Garantiti, come previsto nella Garanzia) del quantitativo a cui dà diritto ciascun titolo ("*Entitlement*") (specificato nelle relative Condizioni Definitive) o che tali Certificates saranno rimborsabili a scelta dell'Emittente e/o del Portatore di Certificates, o che tali Certificates saranno rimborsabili a seguito di una scadenza opzionale del relativo Accordo di Swap da parte della Controparte dello Swap. Le condizioni di ognuno di tali rimborsi, ivi incluso il periodo di notifica, ogni condizione da soddisfare, la data di rimborso e il prezzo relativo saranno indicate nelle relative Condizioni Definitive.

Le relative Condizioni Definitive possono prevedere che i Certificates siano rimborsabili in due o più rate di quell'ammontare e in quelle date indicate nelle relative Condizioni Definitive.

I Certificates saranno emessi con quell'importo nominale che può essere concordato tra l'Emittente e i rispettivi Dealer(s) come indicato nelle relative Condizioni Definitive, fermo restando che l'importo nominale minimo di ogni Certificate sarà quell'ammontare consentito o richiesto di volta in volta dalla rispettiva banca centrale

(o autorità equivalente) o da qualsiasi legge o regolamento applicabile alla Valuta Specificata (vedi "*Determinate Limitazioni*").

Regolamento:

I Titoli possono prevedere un regolamento in denaro e/o consegna fisica.

In determinate circostanze, se indicato nelle relative Condizioni Definitive in relazione alle Notes, l'Emittente o il Portatore di Notes, in relazione ai Warrants, l'Emittente o il Portatore dei Warrants, e in relazione ai Certificates, l'Emittente o il Portatore dei Certificates, possono cambiare le modalità di regolamento rispettivamente delle Notes, dei Warrants o dei Certificates.

Ritenuta d'Acconto:

Né l'Emittente né il Garante (a seconda del caso) saranno responsabili, o in altro modo obbligati, per il pagamento di qualsiasi tassa, imposta, ritenuta d'acconto o altro pagamento derivante dalla titolarità, trasferimento, esercizio o esecuzione di qualsiasi Garanzia e tutti i pagamenti effettuati dall'Emittente o dal Garante dovranno essere effettuati nel rispetto di ogni tassa, imposta, ritenuta d'acconto o altro pagamento che si debba effettuare, pagare, detrarre o dedurre.

Restrizioni:

Fin quando i Titoli saranno in circolazione, l'Emittente non potrà, senza il preventivo consenso scritto del Trustee, contrarre alcun indebitamento per denaro preso in prestito o raccolto, se non con riferimento agli Strumenti Consentiti o all'Indebitamento Consentito, intraprendere alcuna attività diversa da determinate attività relative ai Titoli o agli Strumenti Consentiti o all'Indebitamento Consentito o fondersi o unirsi con qualsiasi altro soggetto, tutto come più estensivamente descritto nella Condizione 4 (*Restrizioni*) della sezione "*Termini e Condizioni delle Notes*" (nel caso di Notes), nella Condizione 3 (*Restrizioni*) della sezione "*Termini e Condizioni dei Warrants*" (in caso di Warrants) e nella Condizione 3 (*Restrizioni*) della sezione "*Termini e Condizioni dei Certificates*" (in caso di Certificates).

Eventi di Default (Eventi di Inadempimento):

In relazione a ciascuna Serie di Titoli, il Trustee a propria discrezione, e se richiesto per iscritto, in caso di Notes, dai portatori di almeno il 25 per cento dell'ammontare delle Notes di tale Serie in circolazione, o, in caso di Warrants, i portatori di almeno il 25 per cento del numero di tale Serie non esercitate, o, in caso di Certificates, i portatori che rappresentano almeno il 25 per cento dell'ammontare di tale Serie in circolazione, o se stabilito da un Delibera Straordinaria dei portatori, dovrà in ciascun caso (a condizione di essere preventivamente manlevato e/o garantito a suo soddisfacimento) dare notizia all'Emittente e al Garante (ove previsto) che tali Notes sono, e diventeranno immediatamente, dovuti ed esigibili (tale eventualità, una "*Decadenza del Beneficio del Termine*" ("*Note Acceleration*") o tali Warrants danno, e daranno immediatamente, (salvo se diversamente specificato nelle relative Condizioni Definitive) diritto ai Proventi della Liquidazione nel rispetto del Limite dei Proventi della Liquidazione (tale evento, una "*Warrant Acceleration*") o tali Certificates danno, e daranno immediatamente, (salvo se diversamente specificato nelle relative Condizioni Definitive) diritto ai Proventi della Liquidazione nel

rispetto del Limite dei Proventi della Liquidazione (tale evento, una "**Certificate Acceleration**") al verificarsi di uno qualsiasi dei seguenti eventi (ognuno un "**Evento di Default**");

(i) un inadempimento di 30 giorni o più nel pagamento delle somme dovute o nella consegna dei Diritti (Entitlement) soggetti a consegna previsti in relazione ai Titoli di tali Serie; o

(ii) l'Emittente non adempia o non osservi uno qualsiasi dei suoi ulteriori obblighi ai sensi dei Titoli di tale Serie o dell'Atto di Trust (soggetto ad un periodo di grazia di 45 giorni in cui tale inadempimento sia (secondo il Trustee) suscettibile di rimedio; o

(iii) qualsiasi decisione di un tribunale competente o delibera di liquidazione o scioglimento dell'Emittente (ivi inclusa, senza limiti, l'apertura di una procedura fallimentare ("*faillite*"), insolvenza, liquidazione fallimentare, volontaria o giudiziaria ("*insolvabilité, liquidation volontaire ou judiciaire*"), concordato preventivo con creditori ("*concordat preventif de faillite*"), sospensione dei pagamenti ("*sursis de paiement*"), amministrazione controllata ("*gestion contrôlée*"), azione revocatoria ("*actio pauliana*"), accordi con i creditori o procedimenti di riorganizzazione o analoghi procedimenti che generalmente colpiscono i diritti dei creditori) o la nomina di un amministratore giudiziario dell'Emittente (ivi incluso, senza limiti, la nomina di un curatore ("*curateur*"), liquidatore ("*liquidateur*"), commissario ("*commissaire*"), consulente tecnico ("*expert vérificateur*"), giudice delegato o commissario ("*juge délégué*" o "*juge commissaire*") ad eccezione dei casi di raggruppamento, fusione, consolidamento, riorganizzazione o di altri accordi analoghi sulla base di condizioni precedentemente approvate per iscritto dal Trustee o con una Delibera Straordinaria dei Portatori dei Titoli di tale Serie; o

(iv) nel caso di Notes Garantite, di Warrants Garantiti o di Certificates Garantiti (come specificato nelle relative Condizioni Definitive), la rispettiva Garanzia cessa di essere valida a tutti gli effetti in relazione alle Notes, ai Warrants o ai Certificates, o venga data una comunicazione del Garante che comporti la cessazione della relativa Garanzia in relazione alle Notes, ai Warrants o ai Certificates, o divenga nulla per qualsiasi ragione o in qualsiasi modo, o venga introdotta una legislazione che abbia l'effetto di rimuovere i benefici della Garanzia delle Notes, dei Warrants o dei Certificates, o sia terminata o modificata la stessa in una maniera (secondo il Trustee) pregiudizievole degli interessi dei relativi Portatori di Notes, Portatori di Warrants, o Portatori di Certificates, o se per qualsiasi ragione il Garante non sia in grado di assolvere ai propri obblighi.

Status dei Titoli:

I Titoli di ogni Serie saranno garantiti, con ricorso limitato dell'Emittente, e concorreranno tra loro pari passu e senza alcuna preferenza (salvo ove diversamente specificato nelle relative Condizioni Definitive) e saranno garantiti dai *Charged Assets* del Comparto relativi a ogni Serie di Notes nel modo descritto nella sezione "*Termini e Condizioni delle Notes*", Serie di Warrants come

descritto nella sezione "*Termini e Condizioni dei Warrants*" e Serie di Warrants come descritto nella sezione "*Termini e Condizioni dei Warrants*" nelle relative Condizioni Definitive.

Il ricorso relativamente ad ogni Serie di Titoli sarà limitato (i) ai *Charged Assets* del Comparto relativo a ciascuna Serie di Titoli e (ii) in caso di Notes Garantite, Warrants Garantiti e Certificates Garantiti, alle pretese ai sensi della relativa Garanzia (nel rispetto delle condizioni ivi indicate o nel relativo supplemento al prospetto di base e/o Condizioni Definitive).

Status della Garanzia (ove applicabile):

Se le Notes sono Notes Garantite (come definite nella Condizione 3 (*Stato delle Notes; Notes Garantite*) della sezione "*Termini e Condizioni delle Notes*"), se i Warrants sono Warrants Garantiti (come definiti nella Condizione 2 (*Stato dei Warrants; Warrants Garantiti*) della sezione "*Termini e Condizioni dei Warrants*") o se i Certificates sono Certificates Garantiti (come definiti nella Condizione 2 (*Stato dei Certificates; Certificates Garantiti*) della sezione "*Termini e Condizioni dei Certificates*") come indicato nelle relative Condizioni Definitive, nel rispetto delle condizioni ivi riportate e delle disposizioni dell'Atto di Trust Integrativo (come definito nella sezione "*Termini e Condizioni delle Notes*", "*Termini e Condizioni dei Warrants*" e "*Termini e Condizioni dei Certificates*"), i pagamenti relativi alle Notes, ai Warrants e ai Certificates beneficeranno della garanzia (la "**Garanzia**") che sarà rilasciata alla, o prima della, data di emissione di tali Notes, Warrants o Certificates da BNP Paribas come stabilito nella Condizione 3 (*Stato delle Notes; Notes Garantite*) della sezione "*Termini e Condizioni delle Notes*"), nella Condizione 2 (*Stato dei Warrants; Warrants Garantiti*) nella sezione "*Termini e Condizioni dei Warrants*" e nella Condizione 2 (*Stato dei Certificates; Certificates Garantiti*) nella sezione "*Termini e Condizioni dei Certificates*") o da un Garante Alternativo come specificato nel relativo supplemento al prospetto di base o nelle Condizioni Definitive, a seconda dei casi.

Impiego dei Proventi:

I proventi netti di ogni Serie di Titoli saranno utilizzati per acquistare le attività che costituiranno le *Charged Assets*, per effettuare i pagamenti ai sensi degli accordi stipulati (ivi incluso, senza pretesa di esaustività, qualsiasi Accordo Correlato) e/o per effettuare i pagamenti alle controparti in qualsiasi Accordo di Swap e/o alla banca o entità ai di qualsiasi Accordo di Deposito e/o alla controparte di ogni Repurchase Agreement in relazione a tali Titoli e/o per pagare le commissioni e spese relative all'amministrazione dell'Emittente e/o a tali Titoli. Se, in relazione ad ogni Serie di Titoli, esiste un particolare predeterminato utilizzo dei proventi, in aggiunta o diverso dal predetto impiego, sarà indicato nelle Condizioni Definitive.

Rating:

I Titoli possono essere dotati o meno di rating come specificato nelle relative Condizioni Definitive. Se dotati di rating, il rating sarà indicato nelle relative Condizioni Definitive. Le pertinenti Condizioni Definitive indicheranno se il rating richiesto in relazione alle relative serie di Titoli verrà o meno assegnato da un'agenzia di

rating costituita nell'Unione Europea e registrata ai sensi del Regolamento (CE) n. 1060/2009 come modificato dal Regolamento (UE) n.513/2011 (il "**Regolamento CRA**").

Un rating non è una raccomandazione ad acquistare, vendere o detenere i Titoli e può essere soggetto a sospensione, riduzione o ritiro in qualsiasi momento da parte dell'agenzia di rating che lo ha assegnato.

Quotazione, autorizzazione e ammissione alle negoziazioni:

E' stata presentata presso la CSSF, quale autorità competente ai sensi del Prospectus Act 2005, la domanda per l'autorizzazione del presente documento come prospetto di base ai sensi del Prospectus Act 2005. Inoltre, è stata presentata presso il Luxembourg Stock Exchange una domanda per l'ammissione alle negoziazioni nel mercato regolamentato del Luxembourg Stock Exchange e per la quotazione nel Listino Ufficiale del Luxembourg Stock Exchange dei Titoli emessi sulla base del Programma.

I Titoli possono essere quotati e/o ammessi alle negoziazioni, a seconda dei casi, in diverse o ulteriori borse valori o mercati come concordato tra l'Emittente e il relativo Dealer. Possono altresì essere emessi Titoli che non sono quotati né ammessi alle negoziazioni in alcun mercato.

Le relative Condizioni Definitive indicheranno se i relativi Titoli saranno quotati e/o ammessi alla negoziazioni e, se così, su quale borsa valori e/o mercato.

Legge Applicabile:

I Titoli saranno regolati dalla legge inglese. Se applicabile e indicato nel relativo supplemento al prospetto di base o il relativo all'atto di trust integrativo e nelle relative Condizioni Definitive, la Garanzia potrà essere regolata e interpretata ai sensi della legge inglese o della legge di un'altra giurisdizione come specificato nel relativo supplemento al prospetto di base o nell'Atto di Trust Integrativo e nelle Condizioni Definitive.

Restrizioni alla Vendita:

Esistono delle restrizioni all'offerta, alla vendita e al trasferimento dei Titoli nello Spazio Economico Europeo, Francia, Italia, Lussemburgo, Olanda, Regno Unito, Spagna, Germania, Polonia, Repubblica Ceca, Belgio e Stati Uniti d'America e quelle altre restrizioni che potrebbero essere imposte in relazione all'offerta e alla vendita di particolari Serie di Titoli (e/o Tranche, a seconda del caso); si prega di consultare di seguito la sezione "*Restrizioni alla Sottoscrizione, Vendita e Trasferimento*".

Restrizioni alla Vendita negli Stati Uniti d'America:

Regulation S.

I Titoli non potranno essere offerti, venduti, rivenduti, negoziati, dati in pegno, rimborsati, trasferiti, consegnati o esercitati, direttamente o indirettamente, negli Stati Uniti d'America a, o per conto o a beneficio di, un soggetto statunitense. Ulteriori restrizioni potranno applicarsi come indicato nelle relative Condizioni Definitive. Le relative Condizioni Definitive delle Notes rappresentate da una *global* Note temporanea e da una *global* Note permanente dovranno specificare le restrizioni alla vendita applicabili per classificare tali

notes come "obbligazioni indirizzate agli stranieri" che saranno esenti dalla Sezione 4701 dell'Internal Revenue Code degli Stati Uniti d'America ai sensi dell'Hiring Incentives to Restore Employment Act 2010.

Luogo del Pagamento:

Tutti i pagamenti, ivi inclusi i pagamenti relativi agli interessi e al capitale dovuti sia alla scadenza che ad altro titolo, saranno pagati solamente al di fuori degli Stati Uniti d'America.